

BEFORE THE
UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE
GOLDEN GATE NATIONAL RECREATION AREA

FORT BAKER
RETREAT AND CONFERENCE CENTER
REQUEST FOR PROPOSALS
PUBLIC PRESENTATIONS

Bay Model Visitor Center
Sausalito, California
Wednesday, October 10, 2001

REPORTER: JAMES W. HIGGINS, CVR

BEFORE THE
UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE
GOLDEN GATE NATIONAL RECREATION AREA

FORT BAKER
RETREAT AND CONFERENCE CENTER
REQUEST FOR PROPOSALS
PUBLIC PRESENTATIONS

Bay Model Visitors Center
Sausalito, California
Wednesday, October 10, 2001

The meeting was convened, pursuant to Notice,
at 7:00 p.m., Marin County League of Women Voters,
Moderators, represented by:

Margaret Jones, President
Anne Layzer, Moderator
Janice Wright

GGNRA STAFF PRESENT:

BRIAN O'NEILL, General Superintendent

MAI-LIIS BARTLING, Assistant Superintendent,
for Planning, Projects and Partnerships

NANCY HORNOR, Chief, Planning & Technical Services.pa

STEVE KASIERSKI, Real Estate Project Manager

BARBARA JUDY, Project Architect

PAUL BATLAN, Project Manager, Infrastructure

MELANIE LOOK, Engineer, Infrastructure

NAOMI PORAT, Real Estate Consultant

ROGER SCOTT

FOR THE GOLDEN GATE NATIONAL PARK ASSOCIATION:

JOHN SKIBBE

FOR HISTORIC RESTORATION, INC.

PRES KABACOFF

WILLIAM WHALEN

CHRISTOPHER DIEGO

FOR PASSPORT RESORTS, INC.

MICHAEL FREED

TOM SARGENT

JOAN ABRAHAMSON, PH.D.

FOR ACQUEST REALTY ADVISORS, INC.

JOAN CLELAND

R. K. STEWART

TOM O'SHEA

C O N T E N T S

PAGE

WELCOME	5
SUPERINTENDENT BRIAN O'NEILL, Golden Gate National Recreation Area	
PRESENTATION AND QUESTION SESSION GROUND RULES	8
ANNE LAYZER, Moderator Marin County League of Women Voters	
HISTORIC RESTORATION, INC.	9
PRES KABACOFF	9
CHRISTOPHER DIEGO	15
WILLIAM WHALEN	21
PASSPORT RESORTS, INC.	29
MICHAEL FREED	29
TOM SARGENT	34
JOAN ABRAHAMSON, PH.D.	40
STEVEN FARNETH	45
SIM VAN DER RYN	46
ACQUEST/BENCHMARK	53
JOAN CLELAND	53
R. K. STEWART	60
TOM O'SHEA	66
RAYMOND BUDDIE	74
QUESTIONS FOR RFP RESPONDENTS	75
CLOSING COMMENTS	132
SUPERINTENDENT BRIAN O'NEILL, Golden Gate National Recreation Area	

P R O C E E D I N G S

7:20 P.M.

SUPERINTENDENT O'NEILL: Okay. I think we're ready to start. If we could ask everyone up front if they would have a seat, please.

Good evening. I'm Brian O'Neill, General Superintendent for the Golden Gate National Parks. I'd like to welcome everyone to the public presentation, tonight, of the Fort Baker Retreat and Conference Center Proposals.

We appreciate everyone here for your continued interest in a process that now has extended over six years. Obviously, tonight is a very important milestone for the Fort Baker Project, and part of our commitment for continuing public participation and dialogue. We're very excited about moving this project forward, and tonight begins the process of making real what has, to now, been plans and thoughts. This process tonight coincides with the turnover of Fort Baker from the Army that will occur yet this fall. Keeping it on track helps us share continuity of stewardship for the site, including its important natural and cultural resources.

Over the past four months, three teams have been hard at work crafting their proposals. These three teams were selected for this opportunity through a

competitive request-for-qualifications process -- referred to as an RFQ. They then put their proposals together, guided by a detailed request-for-proposals document. The RFP document included 14 specific evaluation criteria that were developed with the public's input.

Tonight is your chance to hear about these proposals directly from the three teams and to ask questions and to seek clarifications. You may have questions that the three teams cannot answer because they are really questions for the National Park Service. These could be questions about general process, current site operations, or future activities at the site. We would ask that these questions either be referred to any one of the National Park Service Staff present tonight -- they will be in the back of the room, for those that may have them -- or forwarded in writing to the park, addressed to myself, Brian O'Neill, the Park Superintendent; or they could be left on the Fort Baker Information Number, which is 561-4487, with your return contact information, so that we can really follow up individually with you. So you've got those three options. But tonight is to direct questions specifically to the individual teams on the proposals that they will be presenting.

At the end of the evening, I will briefly outline the next steps in the selection process and recap the opportunities for the public to provide comments.

A word about the video taping: We are video taping tonight's presentations as part of our record for the selection process.

Now, I would like to thank the Marin County League of Women Voters for agreeing to moderate tonight's events.

[Applause.]

And I'd like to introduce Margaret Jones, who is right here to my immediate right, who is the president of the Marin Chapter. I want to also acknowledge Margaret -- they had another event the night before last in Tiburon, a long night, and they've got a long string of these that are sort of folded together, so -- but they assure us that they're really alert and ready to give this their undivided attention tonight.

Here, with Margaret, is Anne Layzer, who will be our moderator for tonight. So Anne will explain how the evening has been organized, and we know that the evening will be in their good hands.

So, let's welcome Anne.

[Applause.]

MS. LAYZER: Thank you, Brian.

The Park Service has invited the League of Women Voters to facilitate this meeting, based on the League's long history, 81 years, of facilitating the public process in an open and impartial manner. Also because the Marin League has taken no positions on any of the Fort Baker issues. I will moderate the meetings; that is: Exercise, I hope, a moderating influence. Our president, Margaret Jones, will sort and ask the questions. And Janice Wright will time the three presentations and the answers to the audience's questions.

And, if Janice would stand up and show her cards that she's holding, 5 minutes, stop. Anyone who has been to a League Candidate's Forum is very familiar with those. This week and next week, boy!, are those times, stopwatches, getting a lot of exercise with the election.

We have asked the Park Service to provide you with information to help you place tonight's meeting in its proper context. We will not be opening this meeting for public comment on this or any other part of the Fort Baker transition process. But we do want to reassure the public that this is not their last chance, that there will still be ample opportunity for such public comment,

using various means of communication. Information about the most appropriate ways to do this is included in tonight's handouts.

A word of -- a word of guidance about the questions you submit: Neatness counts. If Margaret can't read your questions, she won't read your questions.

So, now, I think it's time to start. The presenters have 30 minutes each. They have drawn lots to decide the order of the presentations. First is Historic Restoration Incorporated, and Pres Kabacoff -- say it for me -- Kabacoff will start.

PRESENTATION OF

HISTORIC RESTORATION, INC.

STATEMENT OF

PRES KABACOFF, CHIEF EXECUTIVE OFFICER

MR. KABACOFF: Thank you.

I am Pres Kabacoff, Chief Executive Officer of Historic Restoration, Inc.

First, let me apologize, for those of you that would rather be in front of your televisions watching Oakland and New York. But I do understand, from Brian O'Neill, that it's now 1 to nothing, Oakland.

I'm honored to be here, to have been short-listed by the Park Service, who our company has

visited about 30 times on other historical developments. And I'm particularly pleased and honored the League of Women Voters would take the time to moderate this event.

I brought with me, from New Orleans, our headquarters, Mayor Bartholome, who is working with us now, and Allan O'Connor.

HRI is a 200-person company, and we work all around the country. We've done, or have done, or are doing now, about a billion dollars of work in historic cities, in historic buildings. Our mission is to revitalize cities by creating diverse, vibrant and sustainable communities. And this project works very well within our goals.

As to diversity, obviously, we have a natural, beautiful environment of headlands, seashores and bay. We have a marvelous cultural history: Miwok Indians and Portuguese ranchers, military encampments, the animals, the plants, the sealife. Obviously of concern is the Mission Blue Butterfly. They don't like a eucalyptus, I've learned; but do like lupine. We're concerned about the salmon, the spawning in the Horseshoe Bay Area. And you'll hear later from us that our development of a marsh encatchment base will reduce the amount of storm drainage that flows directly and untreated into the bay.

And, certainly, the diversity of park visitors will be enhanced by our agreement to exceed the Park Service's requirement that, at least 10 percent of the time, this conference center that we're developing be affordable to all. This is also in our mission a vibrant opportunity in the manmade environment, the Golden Gate retreat and conference center is our goal to maintain and develop a pedestrian-oriented atmosphere.

We'll develop 227 lodging units, and we'll put 73 of those into the 27 historic buildings. We could only get 73 in them because doing more units than that in the historic buildings would have disturbed the original historic partition walls, and we did not want to do that. And, so, we've ended up developing in the nonhistoric Capehart area, using the footprints, putting on there some 5,000 less square feet than we will tear down, another 153 units. And those will be residential styled, red roof -- as you have here. As you drive down Alexander, you will look at this community, after we developed, as a residential setting, with red roofs.

Obviously, the vibrancy is enhanced by the trailways and greenways, and the Bay Area Discovery Museum, which is dear to my heart. I was one of the founders of the Children's Museum in New Orleans, started the early childhood programas there. And that's

such an asset in this neighborhood. And, as you look at the entire park, east and west, you have the Mammal Center, YMCA, Youth Centers, Fort Cronkite and Fort Barry, and The Institute itself that the Park Service has established, where we will have to join, with our staff, along with the Discovery Museum staff, and Park Service Staff, to act together as interpretive guides to our visitors that come to this development.

As far as sustainability is concerned, which sustainable community is part of our mission, obviously we want to balance the environmental social and economic. But we're going to go way beyond the RFQ and RFP requirements of the Park Service. We feel, to develop a sustainable environment, we need to do a number of additional things: Reestablish the upland watershed creeks, which is a seasonal waterway that collects the storm water that falls into the headlands; do a lot of indigenous landscaping. Specifically, we're going to go back in history and redevelop the marsh that used to surround the bay area. And, as we move to the beach, we'll eliminate the dangerous road way, put walkways, and bring the beach, by removing the bulkhead, back to its natural setting.

We will upgrade the fishing pier so that it can be used as a waterbound way for transportation.

Additionally, we will develop discrete parking areas, which are not needed by the Discovery Museum, at our cost. Those discrete parking areas and the fixing up of the pier will allow people, when they come, to park their car and not use it again, and go to points of interest on waterways and also by shuttle buses to go to Sausalito, or other points of interest.

We will use a minimalist design. In the Capehart Area, we'll be removing the nonnative plants and reintroduce native species.

As far as the last part of our mission, working in communities, that really means public-private partnership. HRI, in virtually all of its projects, has partnered with the Federal Government, and its agencies; state government, and its agencies; cities; nonprofit institutions, and others. In this particular setting, we see as our partners the Park Service, the Coast Guard, the Discovery Museum, the Friends of Fort Baker, and city of Sausalito. And we see a larger community partnership as look to the world for all Americans and world visitors to come to what is the largest urban park in the country and learn how we best preserve the manmade and natural environment.

We're very fortunate, I believe, that the Park Service recognized, with limited services, it would

be unable to maintain and secure and keep for future generations the historic fort. And, so, it very wisely went out into the private sector and said: How can we identify a developer that would come in and develop a retreat and conference center and maintain these buildings?

And we are very excited at HRI to have as partners here Kimberly-Clark, which has a housing horizons, and they, like us, develop historic properties around the country. And Brothers Property, who is a hands-on developer of historically-sensitive hotels around the country. Both of these -- and, in fact, let me just -- I don't want to overstate this, but you can't understate it -- after the events of 11th of September, financing in this business is over, and I happen to have, very fortunately, as a developer, two partners with tremendous assets, committed to this project, that do not need outside financing to accomplish it, and that's critical for our involvement here.

I'll now introduce Chris Diego. He's with Brothers Property. Fortunately, we will have an operator, for this development, who has had a direct, relevant experience on Cape Cod, on its seashore, in the Chatham Bars Inn, where they have 205 rooms in about 30 buildings. It's almost identical in many ways, in the

environment and physical and landscaping impact, as what you'll see here at Fort Baker.

So, Chris, why don't you tell us how this development will be operated once it's built.

STATEMENT OF

CHRISTOPHER DIEGO

BROTHERS PROPERTY

MR. DIEGO: Thank you, Pres.

Needless to say, Fort Baker is an unique place. What I would like to do is try to convey to you what our mission is, and how we plan on creating a unique experience at Fort Baker, not only if you're staying at the retreat. It can also be as if you were just a park visitor coming to the local area.

We spent a lot of time thinking about the property and how it works. And one of the things that we had come up with is that there is a really -- there needs to be a really strong connection to the local community. And one of the things that we are is an owner-operator. We have a strong bond, both to the physical attributes of the property, but also how the property is managed. And assuming that we got this project, this would join four other owner-operated projects that we have. They're all diverse and they're independently managed, but they do have some common

threads to them: They all create an experience that is unique to their local areas.

I have had the fortunate, been fortunate, to work for Chatham Bars Inn for 13 years. And we have taken Chatham Bars Inn from 150 rooms up to 205 room, for many different reasons. And through that whole process, we have learned a number of different things. And I have learned some things that have worked, and we've also learned from our mistakes. So what we'd like to do is to try to apply our successes to this project.

The most important thing that we have found is to have a clear mission statement. And given the delicate balance with all the neighbors of Fort Baker, it was, it was very important for us to be focused and have a guide as to who we were and what we were planning on doing. And the most important part is that we are part of something much larger: We're part of the GGNRA. And our focus is on creating a memorable park experience because we are in a park. And that includes everyone who comes to that area, not just people who are attending a retreat.

We're going to do this by preserving the past, all the historic buildings, and also being faithful to the goals and traditions of the National Park Service. We'll execute this by the support of one

another, which includes our employees, our vendors, employees' families, the local organizations around the community, and, of course, our environment.

We will endeavor to operate it efficiently and effectively through sustainability so that we can preserve the essence of Fort Baker for future generations.

Some general information on the site. These slides aren't coming out very well. As Pres had mentioned, Fort Baker has a great fortune of being located in the nation's largest urban national park. We have strived to keep the entire property, which is 40 acres, a very campus, pedestrian, residential feel to it. People who attend the retreat will be encouraged to walk, ride bikes. And the way we've designed the layout of the property, it's very much like a campus, like going back to college.

There are 225 guest rooms. We have 225 rooms in total -- or 227 rooms in total. Two of those were offered as housing. But, for actual guest rooms, there's 225. Sixty-two of them will be suites, which range from one bedroom up to three bedrooms. Most of those are located in historic buildings that are around the Parade Ground. There will be two restaurants, one formal, one more casual. There are over 24,000 square

feet of meeting space and function space. All of that will be extremely high tech, the latest technology. We have indoor and outdoor recreational facilities, and a whole host of interpretive programs and activities designed to not only accommodate people who are attending the retreat, but other people in the area who are visiting.

This is a very poor slide of a rendering, and you can see some of the renderings behind where we have all of our information.

Again, we're trying to create a very social atmosphere. This depicts the Parade Ground, which is 10 acres, which is an important aspect of the whole property.

This is a site plan, which, obviously, is not coming out very well, either. But if I give you an idea of what we're planning.

Pres had indicated that there were many things that are outside the RFP that we have chosen to do. And the reason for that is that we need to complete the experience. One of the major things is the march area here. We're proposing to fund that and to get it completely reinstated the way it originally was. And also, there is a creek that's here that we'd like to reinstitute.

Now, for the physical property, most of these buildings, which are here [indicating], which you cannot see on this, are more functional. There is the food and beverage buildings; there's the gymnasium. There is also a check-in, where your lobby, or lobby would be, and information. These buildings, located here [indicating], are the residences, the historic buildings, that would house most of the guest rooms, and up into here.

This building here [indicating] -- which I'll talk about a little bit later -- which is the -- we proposed to adapt the reuse of that building and turn it into an auditorium.

Behind this area here [indicating] is where all the new construction would take place, up in the hill, behind the historic buildings.

There's another slide, if we can go to the next one. It zooms in a little bit more. You may be able to see a little bit better.

The chapel is located here, which we will use as a meeting facility, and also the beginning of our interpretive trails, an outside amphitheater than can be used.

This gives you an idea, sort of, of the renderings behind. This is an historic building, and

this is one of the Capeharts that we're planning on rebuilding. As you can see, they're very similar in their style and goes well together. And also through these renderings, the pedestrian walkways that go through to encourage the campus style environment.

This will give you an idea of what we envision the rooms as. And, also, throughout the property, we have sprinkled living rooms, common living rooms, which can be used as informal break-out rooms, and just congregational places for people to get together.

Throughout this property, we have meeting rooms that are located all throughout. And they will all be connected with a very sophisticated infrastructure, high-speed internet access, web broadcasting, video conferencing. All these features will be included in the project. For example: With the auditorium, which is located here [indicating], you can -- you will be able to video broadcast back and forth between the meeting rooms, so you can have break outs, but still be connected.

This next slide will give you an idea of what the interior of the auditorium would be. And if it existed today, we could actually have the meeting, this meeting, there, which would be a little bit more

comfortable.

This is a rendering of the marsh area, with an interpretive walkway, so people can go out and see. This is what is so important in doing the whole marsh, is that it completes the entire picture. It completes the entire experience. We also have a picture of a rendering of the creek area, which is in the back of the property.

So, the entire -- what we're proposing to do in its totality is the complete experience. It's the complete effort to provide something that currently doesn't exist, and the property is open to the general public. Meaning that, if you walk around the property, like you can today, you can, anywhere you go -- you can't obviously go in the guest rooms; but there still is accessibility to Fort Baker even after this has been done.

I would like to now introduce Mr. Bill Whalen, who is the first Superintendent of the GGNRA, and also the former Director of the National Park Service.

Bill.

STATEMENT OF

WILLIAM WHALEN

MR. WHALEN: Thank you, Chris. Good evening, ladies and gentlemen.

This is a rather serendipitous experience for me. Back in 1972, at Halloween, I was offered the job as the first Superintendent of the GGNRA. In November of that year, I came to San Francisco, for the first time, to see the area. We spent half the first morning in San Francisco, saw places like Alcatraz and the beaches, and the ships, and then came to Marin, after lunch. The first place we stopped was Fort Baker. And I was walking around with the planner at the time, who helped develop the original thinking on the legislation, and he said, "You know, we think someday this will be a conference center." That was in 1972.

I said, "Well, what about the Army?"

He said, "Oh, don't worry. They'll be out in 10 years." Well now it's 30 years, but we're moving ahead. In 1980, I was able to sign the Master Plan that called for this conference center, and was very proud to do this.

Now, back again, I've been asked to help with this proposal for our team, from HRI. And we feel that we have put together a varied group, a group of very experienced veterans, who have worked on many National Park Service projects, to make certain that this project fits within the scope and the design and the feel for what a national park is.

The Royston firm, from Mill Valley, are our landscape architects. Royston were with us there when the original master plan, back in the 1970s. They have also done work on the management plan for GGNRA. I just learned recently of the wonderful work they've done at Glacier Point in Yosemite.

The Alice Carey Company of San Francisco are our historic architects. They have had a successful National Park Service project at the Presidio, Fort Point, Alcatraz, the Awahnee Hotel in Yosemite.

So, as you can see, the caliber of our consultants fits into our concept of what a conference center is in a great urban national park.

Our proposals overriding concept is that a guest at our conference center is first and foremost a visitor to a great national park. We wish to insure that each of our conference center guests have that deep park experience that puts them in touch with the soul of the place. Remember! For many of these visitors it will be their first time in a national park, and maybe, for some, their first time in America.

Our plan is very respectful of the rich military history of Fort Baker. We plan to hire interpreters on our staff to provide for the education of our guests, and they will be, the interpretors,

skilled in cultural history, as well as natural history.

Quickly, you see the site plan there. It's a little bad on that one. But, if you think of over on the west side, those historic houses are going to be converted into guest rooms, as Chris said. You crossover the Parade Ground, and those buildings will be used for registration, dining, and activities such as that. Up in the back, we will be creating a new set of buildings that will replace the Capehart. And there will be 153 keys up there. So we will have a total of 227 rooms in the location.

We feel that 227 rooms are a very important part of our plan, because we need to have the revenue stream coming in, in order to provide the extras. And our plan is about the extras. First of all, on our nickel, on our dime, on our million dollars, we're going to restore the beach front. We're going to create a naturally functioning marsh, and it will six acres in size. Now, just think: The Crissy Field marsh is about 24 acres. So this is a pretty good size marsh, as you can see over on the, on that area.

Just think of this march, when it's completed, and the children of the Bay Area Discovery Museum walking over and being able to see that, with their staff from the museum. What a wonderful experience and

a teaching tool for children at that age to learn about a natural marsh, to learn about the need for saving wetlands. This also certainly would be an activity that people from Sausalito, and others, would enjoy in bringing their children.

We will do pier improvements. We hope someday to see a ferry or water taxis arrive there to take people back and forth to the city. We will improve the fishing pier. Now that fishing pier may sound like a little deal; but, if you get out there on a Saturday and Sunday and see that diverse community of fishermen there, it is a very big deal. We want to enhance that and make it a better place for everyone.

We will also develop 240 parking places for the National Park Service visitors at our expense, and redo Building 405 for a National Park Service Interpretive Center. Hopefully, we'll also be able to work with them on interpreting the Miwok Indians and the Coastal Defense Area.

We will also develop a tertiary water system that will be able to be used for our irrigation, and also integrating with our marsh.

Sustainability, a big issue in these days. We have retained the Paladino Company to advise us on sustainability. They have experience in over a 150

green projects. They authored the U.S. Building Council's Leeds Reference Guide, which is the bible for green building. I cannot do justice to this topic. But Tom Paladino is here, and he assures us that we've received the Gold Standard for it.

Partnering. As I look at Brian O'Neill, he's made partnering a fine art in the National Park System, and we intend to be very fine park partners and working with our new friends at the U.S. Coast Guard -- who, by the way, are on duty today protecting our great Golden Gate Bridge. The Presidio Yacht Club, the Bay Area Discovery Museum, a rich, rich partner for us. The Mammal Center across the way, as well as the Headlands Institute; and, of course, Greg Morris' great Golden Gate National Park Association. We hope to be funneling a lot of this money, too, and they will be taking care of the development.

Our guests will also, through our shuttle buses, be able to visit many other national park sites. We will take them over to see Muir Woods. For many of these people, they've never seen one of our beautiful coastal redwoods, and we think that would be great for guests to be able to be taken there as part of their program. The same is true of a pre-Civil War fort, at Fort Point, as well as Alcatraz, maybe rides at the

Tennessee Valley Stables, and for the runners.

The runners. Now they're important people in America today, since so many people are doing that. We will have shuttles to take runners out to the Tennessee Valley and allow them to run out to the beach and come back, and also over to Crissy Field, for a run there. What a spectacular place to take a guest to a conference center.

Transportation. We will, of course, be heavily involved in this area. We know it's a big topic. We have Paul Menaker, of the KORVE Company here to answer questions. But we'll obviously be doing things like alternative-fuel vehicles, pickups at the airport, shuttles to surrounding areas. The KORVE Fund has done extensive work on local projects. In fact, they're working on the Doyle Drive Plan today, as well as Hunter's Point, Mare Island, and the Oakland Estuary.

Local community liaison. This is something that I believe very strongly in. And, hopefully, I'll be helping the developer do this as they proceed. And that would be to encourage Marin groups to use our facilities, particularly groups in Sausalito that could use our conferencing space for various meetings.

So, creation of -- another thing we want to do is to create a standing committee made up of the Park

Service, ourselves, and the nearby park partners, to advise us on the activities of the conference center.

Also, we're going to establish, once the project is under construction, a hotline so anybody having questions about construction problems, or any issue surrounding the center, can call that hotline and get an instant answer to that.

The Fort Baker Institute. The park requires 10 percent setaside. We think we can do maybe 20 to 25. And we look forward to working with that Institute to insure that it's a seamless operation. We will help in marketing. And the more successful and prestigious The Institute can become, it can only enhance the value of our conference center.

In summary, we provide many extras at our cost: the beach, the marsh, the tertiary water treatment plant, pier improvement. That adds up to about \$6 million in strength, in capital. As we look at our major strengths, what we bring to the table, we feel one of the one of the distinct strengths that we have are our financial partners, Kimberly-Clark and American Financial Group. In talking to them, both, as late as yesterday, their financial officers, they're prepared to move ahead. And I think, in this time, where funding is pretty difficult for hotel projects, you need only look

at today's USA Today saying most of those projects are not going to be funded. We feel pretty comfortable that ours will be.

Lastly, we feel that we have created a conference center operation that will be a memorable park experience, and, as I said, maybe the first for many of these people. We will not let our guests, or the National Park Service, down in this area.

Thank you very much.

MS. LAYZER: Thank you.

[Applause.]

It's going to take a couple of minutes to switch to the next presenter, Passport Resorts. Margaret and Janice and I can walk down and pick up any questions that you've already written, if you like, while we're making the transfer.

[Recess.]

MS. LAYZER: We're ready to move on to No. 2. The second presenter is Passport Resorts, represented by Mike Freed.

Go ahead.

PRESENTATION OF

PASSPORT RESORTS

MICHAEL FREED, MANAGING DIRECTOR

MR. FREED: Thank you, Anne.

As many of you know, I've lived in Sausalito for over 20 years, and I've walked at Fort Baker virtually everyday over the last 15.

I'm the managing director of Passport Resorts. We're a small boutique hotel company, dedicated to creating a unique guest experience. What I mean by that is that, what we try to do on our projects is to integrate the spirit of the land and the people, with an emphasis on education, romance and environmental responsibility.

We have three projects. We own the Post Ranch Inn in Big Sur, which, in 1999, was awarded the most environmentally responsible resort development in the country. We also own the Cousteau Resort in Fiji, which, just this year, was named by the readers of Travel and Leisure as the No. 1 resort in Fiji, and principally because it's an education-based resort. We recently purchased the Hotel Hana Maui. What we're doing in Maui is to bring back the old Hawaii experience. And, again, education is very much part of that project.

In the next few minutes, what I'd like to do is tell you about our vision for Fort Baker, and introduce the members of our team.

We're calling this project The Retreat at Fort Baker. It's a family-friendly retreat center, but is

has one additional component that's critical to our project; and that is: We have a nonprofit Learning Center to bring world-renowned speakers and scholars to Fort Baker and to create a scholar-in-residence program. Our goal is to create educational programs and workshops to overnight guests, but more importantly to the community, in such areas as art, wellness, ecology and personal development.

Our project, from the beginning what we've done, is to talk to a number of the local nonprofits: the Discovery Museum. We've had meetings with the Headlands Institute for the Arts. We've met with the Headlands Institute, with the Bay Area Ridge Trails, and those are some of the partnerships that are important to us. But one of the key partnerships, for us, is the city of Sausalito. I'm a resident of Sausalito and I plan on staying. Making this project work for the city is one of the key elements of our plan.

Now, to accomplish our vision, what we've done is assembled a team in four areas. First, I wanted a developer partner. Second, we created an education team. Third, we have a design team, and, fourth, a management team.

After the RFQ, let me tell you what I looked for in trying to find a developer partner. I wanted to

find someone who had experience in renovating historic buildings, particularly buildings similar to Fort Baker. I wanted a developer partner that had experience working with the National Park Service. And third, and most important, I wanted a developer partner who had the same values that I did, and our company did, in sustainable design, and with a, with an interest in the educational component to Fort Baker. I found this partner in Tom Sargent and Equity Community Builders.

Tom and his company are equal partners with Passport Resorts in developing and operating Fort Baker. Tom is a Marin resident. He lives in San Anselmo. He's the largest developer in the Presidio currently, and he's renovated buildings identical to the buildings at Fort Baker. He's also, with the Tides Foundation, developed the Thoreau Center for Sustainability, which is the home for 50 nonprofits and foundations in the Presidio. He clearly has worked with the National Park Service on that and other projects. Most importantly, Tom is totally aligned with us.

We also have an education team. That team is committed to education, but also can operate as a nonprofit.

We're bringing on board Dr. Joan Abrahamson. Joan is president of the Jefferson Institute, which

links creative thinkers with implementers to help solve societal problems. She's also on the board of directors of National Geographic Society and the California Institute for the Arts, and she's a member of the -- and she's a MacArthur Fellow.

In addition, we've brought on board the Omega Institute from New York, the Hollyhock Institute from Canada, and we're now talking to the Esalen Institute about helping us with programs on art, wellness and ecology.

Our design team has Sim Van Der Ryn. Many of you know Sim from Sausalito. He's the founder of the Ecological Design Institute. We've also brought on board Architectural Resources Group, under the direction of Steve Farneth, who did the Sausalito Women's Club and the San Francisco Theological Institute Seminary in San Anselmo.

In addition, to help us with the plan, we've brought on board Cheryl Barton. We've brought Cheryl to join us because Cheryl did the landscaping for the Discovery Museum. And, for us, integrating the landscaping at the Discovery Museum with what we're doing at Fort Baker is key.

Our management team includes not only Passport Resorts, our group, but also Dolce International. Dolce

has 17 conference projects in Europe and in North America. They're going to be our -- work with us as a conference operator.

With that, what I'd like to do is turn this over to Tom Sargent, my developer partner, and have Tom talk a little bit about the vision and, in more detail, the development plan for Fort Baker.

Thank you.

STATEMENT OF

TOM SARGENT

EQUITY COMMUNITY BUILDERS

MR. SARGENT: Thanks, Mike.

Mike, he always gets to talk about the romance, and all those kinds of things, and I always get stuck with sort of more of the details here.

It's been clear from the beginning that this is a collaborative team, and it's been a sheer joy to work with it. And we intend to keep and maintain that spirit of collaboration, both within the team and in working with the community, both the city of Sausalito, the Park Service, and the surrounding regional community. We are a local team motivated by the opportunity to create a place that has meaning to us and to you, the community, as well as the broader community and the global community.

The Retreat, since we've been thinking about it and have been designing it, is a place that we all would like to go ourselves. Our objective was to create a place that is fully open to the community and harmonious with the site. A place where the atmosphere promotes intelligent, thoughtful dialogue, and offers creative learning experiences. A place where people come to share important things on their mind and to share them with other people. A quiet place, because that's truly what the Fort Baker site is. I think those of you who live in Sausalito really know that better than anyone else. A quiet place to solve personal, professional, or organizational problems.

We really want this place to be a serious place for thoughtful dialogue, but also a place for professionals, academics, scholars, artists to come and present new and fresh ideas. Additionally, we want to create a place that has an atmosphere for highly productive and focused meetings. And, then, lastly, as always, it has been our experience, and also Mike's, in terms of the kinds of projects we do, we want to create a model of historic preservation and environmental sustainability. I don't think we're paying lip service to that particular approach, given the amount of effort we've put into that.

I want to describe a little bit the market that we're going after.

We're going to be -- we are a program-driven project. We will be creating a schedule of programs that are created by the many partners that Mike mentioned, as well as the partners that we're going to have in our Learning Center, which Joan Abrahamson is going to describe a little bit after me. And that will be taking up potentially 50 percent of the schedule of the year in terms of the kinds of meetings we have. We'll be having primaries and workshops, both from the Fort Baker Institute and our own Fort Baker partners.

Because we're very deeply in touch with the nonprofit community in the Bay Area and also throughout California -- because, for instance, we just managed properties with about 60 nonprofit tenants at the Presidio right now -- we see it that it will be a great opportunity for strategic planning, board meetings, and staff meetings. There is a portion that will be focused on the corporate market, for organizational, professional growth and training, and strategic planning. All these meetings will basically be in a range of 20 to 30 people in most cases. In fact, we see that 80 percent of the meetings will involve no more than 20 or 30 people. It's really not the kind of place

there are hundreds of people coming all at one time to attend the same meeting.

Lastly, it will be a place where families and couples can come -- that's what Mike was referring to -- for stays in a quiet place by the bay and to attend the Discovery Museum and all the other park partners in the GGNRA.

I want to describe our approach a little bit.

The Park Service gave a very impressive RFQ. It asked for a balancing act between historic preservation, environmental sustainability, the smallest project possible, and one that was economically viable with as little or no public subsidy in it as possible. Additionally, there was a heavy burden in that proposal in the numbers in terms of infrastructure costs. We've also looked very closely at the cost of rehabbing these buildings, and we used the same contractors and the same cost estimators that we've had on the Thoreau Center, which is identical buildings.

We feel very confident that the budget that we have, the \$63 million, is accurate because of the detailed level that we went into, of bringing 13 to 14 contractors through the buildings and looking at that. We find those economics are really pertinent to the whole discussion of the approach here.

Our charge to our team was, first, to make as few changes to the Parade Ground as possible, and to have as little impact on the site as we could. To use adaptive reuse of buildings in the most creative way possible. To keep the room count as low as viable and to be certainly less than 50 percent of the Environmental Impact Statement.

We wanted our team to focus on realistic long-term traffic mitigations, and to find ways to have all the parking and any new construction be on sites that had as little impact on the soil and on the conditions of the property as possible.

We wanted to emphasize sustainability development in the new buildings, and we wanted to work with partners to develop a comprehensive plan for traffic. And those partners would be, for instance, the Bay Area Discovery Museum and the city of Sausalito.

The development concept, which I'm just going to describe briefly, and Sim Van Der Ryn and Steve Farneth are going to go into more detail, is the following: 156 lodging rooms, with 20,000 square feet of meeting space, a restaurant, a wellness center, and a small general store. We're preserving and rehabbing 23 major historic buildings, most of which are right around the Parade Ground. And, importantly, we are

constructing no new buildings on the Parade Ground. Even though there were two sites in the RFP, we have not placed any new development on that site. We're retrofitting six of the existing Capehart Buildings up in this area [indicating] for staff housing, which gives us 12 units, which could give us up to 24 locations for staff to live on site to help reduce traffic on the site.

In addition, and most importantly to our concept, we're integrating into the whole conference center a Learning Center, which will be run by a nonprofit -- Joan is going to describe this in a minute -- which will have 17,000 square feet of office space and exhibit space in Building 636, which is at the very eastern side of the Parade Ground. That Learning Center will also have a program of scholars in residence, which is in six buildings along Culver Avenue.

I want to describe a little bit, just before turning it over to Sim and Steve, what some of the traffic mitigations that we're going to be doing.

First, we have to meet extensively with all the park partners and develop a site-wide traffic and parking management plan. We'll be using extensive use of shuttles for guests and employees. Key marking tools will be to reduce traffic on site. Everything goes out

to any guest who is coming, who will get the notion that this is a place not to drive to. We'll be capturing a vast majority of the guests' cars -- because we heard, when we had the last meeting with you, was that people really close to an auto-free zone as possible -- right at our reception. Steve and Sim will be describing the entrance into the place.

We're going to have a transportation information desk right in the middle of the site so that people can get information on how to use public transit, how to use shuttles, how to get around without taking your car. We'll have financial incentives and disincentives to discourage car use, and we'll be using Bunker Road for access.

What I'd like to do now is to turn this over to Joan Abrahamson, for a moment, just to describe the Learning Center and some of our partners, those partners who will be working with us in terms of creating a really unique environment here.

STATEMENT OF

JOAN ABRAHAMSON, PH. D.

JEFFERSON INSTITUTE

DR. ABRAHAMSON: Hello. It's a pleasure to be here as part of a team that shares a vision for Fort Baker. Our goal is a low-impact use that honors the

integrity of the site. It can be a place for reflection, creativity and renewal.

I'm a native San Franciscan, who has loved Fort Baker since early childhood, and I'm thrilled that it can remain a treasured place of peace and solitude and also play a meaningful and inspirational role.

The Fort Baker Institute, well, the Learning Center at Fort Baker, will be comprised of three institutes:

The Fort Baker Institute, run by the Park Service, dedicated to sustainability and environmental issues, hosting conferences and meetings on subjects that benefit the environment.

The Center for Nonprofit Leadership Renewal, run by the Tides Foundation, will help groups, from major foundations to grassroots community groups, consider their mission and reflect on how to be more effective.

The Jefferson Institute, which I represent, will run the Fort Baker Center for Creativity and Sustainability.

I don't know if you've heard of the MacArthur Fellows. It's a prize given yearly to people who are recognized for creativity in their field. You don't apply for it; you just get a call out of the blue. And

there are a range of fields, from poetry to palentology, to physics, and it's made up of a very unlikely, diverse combination of people.

Since 1981, when the program began, we've been brought together every year-and-a-half. We're incredibly stimulated by each other's work. And, for the last ten years, the Jefferson Institute has brought Fellows together in small groups for meetings on subjects of mutual interest. Many Fellows want to give back to society and to participate in educational programs. Most need a place to write, to think, to interact with other creative people. And we've come together to form a Center for Creativity and Sustainability at Fort Baker. This will be unique center of national importance where people can gather to solve problems and gain new perspectives. Each Fellow is passionate about his or her work. This center will provide a way for them to focus on new work and to interact with people who are excited by ideas.

For example: Roger Payne, a research scientist and conservationist, who studies the behavior and communication patterns of whales, is eager to make the center a base of his operations. His interest in whales focuses on their vocalizations and interactions. He's created recordings of whale sounds, television

specials, IMAX movies. But his real gift is talking with people and bringing to life for the rest of us the wonder and mystery of these enormous and wonderful creatures. Currently, he is taking a boat around the world, following the whales, and measuring the toxicity of the oceans. PBS is sponsoring his web site through which he communicates with school children all over the world.

We hope to work with the Discovery Museum to create a Marine Learning Center for children, and to host meetings at the conference center to advance world policy on environmental issues.

Elaine Pegels, who is a religious historian, who studies and interprets ancient texts, has written the "Gnostic Gospels," and "Adam, Eve and the Serpent." You may have seen her on Bill Moyers' "World of Ideas." She's like to do some writing at Fort Baker, and has offered to talk about her work at the Fort Baker Chapel.

Jack Horner is the best-known paleontologist in the world, not only by experts, but also because he was the model for Michael Crichton's paleontologist in the "Jurassic Park" series. But Jack has found more dinosaurs than any other person, and his love is talking with people about all, from all ages, about his work. He'd like to take a sabbatical from the Museum of the

Rockies in Montana to be in residence at Fort Baker for awhile.

I could go on and on. The Center will not be exclusively MacArthur Fellows; but, rather, spearheaded by those who found each other through this outside recognition. We're not creating an academic center; but, rather, a living, breathing, open dialogue that can embrace all thoughtful and curious people, a place of collaboration and inspiration.

We see the Golden Gate Bridge as symbolic, as a symbolic bridge to the city, to the implementation-oriented, problem-solving centers that can be planted in the Presidio and that exists in other urban centers around the world. We see Fort Baker as a place that someone could come to ride a bicycle to the Headlands, then participate in a seminar and have lunch and coffee with novelist Sandra Cisneros, or poet Richard Kenney, or whoever is in residence. It will have exhibitions of interest to the public at the Learning Center, and interactive sessions open to conference center guests and to the public.

Luckily, there will be time following these presentations to answer your questions, and I look forward to going into more detail at that time.

Thank you.

MR. SARGENT: Listening to Joan is why we say we want -- why we say this is a place that we all want to go to.

I'd like to introduce Steve Farneth and Sim Van Der Ryn, who are going to take you, now, for a walk through our plan in terms of the architecture and the planning of the site.

STATEMENT OF

STEVEN FARNETH, FAIA,

ARCHITECTURAL RESOURCES GROUP

MR. FARNETH: Thank you.

I'm Steven Farneth, principal at Architectural Resources Group. With me is Sim Van Der Ryn, principal with Van Der Ryn Architects, here in Sausalito. Also with us tonight is Cheryl Barton, principal at Cheryl Barton Landscape Architects. And we're the principals for the design team for this project. And we're thrilled to part of the project for one reason; and that is: Because the basic program and design objectives for this project really represent the core principles that have guided all of our practices; and that's minimal development, sustainability design, preservation and reuse of historic structures, and dedication to good design.

We feel we've come up with a very simple and

well-conceived plan for this site. And Sim and I would now like to walk you through some of the features of that plan.

STATEMENT OF

SIM VAN DER RYN, AIA, VDRA,

ECOLOGICAL DESIGN INSTITUTE

MR. VAN DER RYN: Well, of course, here's the context: The Gateway to Marin, and to the North Bay, and to the Redwood Empire. And I think that this area really -- I want to make three points about it:

First, Fort Baker is largely a natural setting. You don't see very many of the buildings and the roofs here at all. And in our plan, we reduced, reduced the total number of square footage at Fort Baker by 35,000 square feet, and we build no new roads. So we're respecting the idea of natural setting.

Then, in terms of the core area, the Parade Ground, which is really the heart of Fort Baker, we're restoring it to its original context, and we're adding no new buildings.

And, then, in terms of the entrance -- if I can find it again -- I've lived in Sausalito almost 20 years, and it wasn't until I started working on this project, some months ago, that I learned about the Bunker Road entrance that's just opposite the Cronkite

Tunnel. And that's, that will be the our main, will be our main entrance.

So, to me, this area really is an inspiration because it reminds us of what an incredible opportunity we have here to add cultural, creative, intellectual, and ecological value to this place. It reminds us to get the plan right. And, frankly, we believe we have by minimizing impacts and my maximizing potential in terms of site, context, facilities, and, as you've just heard, programs.

MR. FREED: We're going to take you for just sort of a walking tour through the site to kind of indicate what the general elements of our proposal are.

First, this is, on the right screen, is a plan of the site, and just orients you to the plan. The Parade Ground is in the very center of the slide. And on this plan, red buildings are all existing, and blue are new structures -- which only the first ten rows can discriminate. Everybody else will have to take our word for it.

As Sim mentioned, we're proposing removal of more buildings than we're adding, a net reduction of footprint. We're proposing to arrive at the site on Bunker Road, an arrival from the Fort Cronkite Tunnel, to minimize the amount of traffic that comes around

Alexander Avenue. Most guest will arrive in this manner. There will be -- the old carpentry building here will become the reception and check in.

The Shuttle Bus Stop will be here [indicating]. Directly behind it will be a parking area where guests will leave their cars. They'll be shuttled to their rooms, and they will not really need their cars until they leave the site again.

The Parade Ground itself, as has been mentioned, we'll be restoring all the existing structures. We will not be adding new buildings on the vacant parcels. We felt that, even though the Park Service allowed that, and even though it would be possible to build new buildings, the character of the site is better without new structures in our opinion. So that's been a key part of our plan.

We are, at the upper part of this site, saving Capehart Housing, using that for employee housing. In the central area, here [indicating], these small residences will be for our scholars in -- scholars-in-training, scholars-in-residence. And, then, up on the eastern, northeastern, part of the site, where there also are Capehart structures, we're proposing to put new lodging structures on the existing pads of those buildings.

One final note, we're not proposing any new roads, including roads that were proposed by the EIR. We have found a way to make all the existing roads work. And, in all areas, we're trying to minimize grading and minimize road work.

So, now, I think we'll -- I'll take you around on a photo tour here.

Arrival, as I mentioned, will be through the Bunker Road Tunnel. Not only does it make sense for the site, but it's a fabulously dramatic way to arrive at the site. We intend to prune all of this hay here [indicating], but in a sustainable manner.

[Laughter.]

This is no longer what it looks like, but that is the old carpentry shop building, which will become reception, guest check in. As I mentioned, it's at the bottom of Bunker Road.

Directly behind it, an area of disturbed landscape, will become a parking area, although the trees will all remain.

The Parade Ground will remain as we know it. On the western side, the large residential structures, will become our historic lodging rooms. There will be very little demolition in any of the interiors. And on the eastern side, the primary old barracks structures

will be reused as a restaurant and lounge, and conference spaces.

They originally had porches, and we're proposing to put the porches back, as a feature that not only gives the buildings back their original scale, but allows us to create spaces for user amenity and work in features like disabled access.

Interior spaces, which had cast-iron columns and ornamental ceilings, will be restored. And the Gymnasium Building here [indicating], directly adjacent to the other two conference buildings -- we've clumped all of the conference facilities together -- will become our large meeting area. And by doing this, we don't need to develop a new meeting room or lecture hall. The gymnasium interior space will serve that function for us. And will still serve that function for us. Here it is. Anyway, this is the plan. It's a very large space, the gym itself. It's very amenable to conversion to a large-scale meeting room.

And, finally, at the bottom of the site, Building 636, will be the center of the Fort Baker Institute and the Jefferson Institute area.

At the top of the site, the old Hospital will be our Wellness Center. The historic photograph here will be -- we will be putting back some of the porches

and other elements that were missing and that will give it a bit more amenity.

On the northeastern area of the site, the Chapel will be restored as you know it, and will be another area for meetings and gatherings.

MR. VAN DER RYN: I want to talk about the new lodging buildings. We're using, as has been said a number of times, we're using the pad of the Capehart Housing that we're removing. And the new lodging will be in two-story buildings, of 8 to 12 units. And, so, there is no additional land disturbance. There are no additional roads or parking. And we're just using the pads.

We think that this is, this provides a scale and location that really relates to the site and to the buildings. And, also, as has been mentioned, the green design and sustainability features are really important here. And they'll give guests here, and everyone, a direct experience of what sustainability is all about. We use the word a lot. Here, people will be living with it. So that, in staying here for awhile in lodging, it will be a living/learning experience in sustainability living.

Here is a section of one of the typical buildings. I just want to point out what some of the

intentions are.

First is energy and resource efficiency. We're using building systems that reduce wood use by 50 percent, and also provide a tighter building. And all wood that is used will be certified, sustainably certified. The exterior siding will match the kind of the, the historic clapboard siding, but it will be, it will be a recycled wood fabric, fiber. The roofs will be energy producing, integrated solar electric panels, producing electricity. We'll also have rain water catchment for irrigation and for toilet flushing.

So those are some of the features.

MR. SARGENT: I can see a stop sign coming my way.

What are the benefits to you and the community? First, we're preserving the character of the site pretty much as it is today. Secondly, it's a low-impact solution. Modest, small-scale.

We're really focused on traffic mitigations; and, since we all live here, we're going to be pretty darn accountable to them.

We've got a site and project that's open to the community, and we have a continuing education program that you'd be proud of, and we want you to join in.

We thank you very much.

MS. LAYZER: Thank you.

[Applause.]

MS. LAYZER: Once again, we'll pass among you and collect the cards, if you've filled them in.

[Recess.]

MS. LAYZER: We have finally overcome whatever technical challenges we had to go on now to the third proposal. We're behind. It's going to be a late night, so let's get on with the third presentation from Acquest Realty Advisers, Inc. The first presenter is Joan Cleland.

PRESENTATION OF

ACQUEST/BENCHMARK PARTNERSHIP

JOAN CLELAND, EXECUTIVE VICE PRESIDENT

MS. CLELAND: Good evening. I'd like to introduce myself.

I'm Joan Cleland, and I am the team leader of the Acquest/Benchmark Partnership that has been formed to respond to the RFP. I am very pleased to be here this evening -- we all are -- given the tragic events of last month that postponed this presentation. I was one of the people that was stranded in your fair city. But I have to tell you that I did not get much sympathy from when I told people that I was stranded in Sausalito. I

think that reaction speaks to the incredible beauty and significance of this place that you live in.

Fort Baker is significant. I think it is an -- it's incomparable to just about any other place on the globe. It's significance lies in its potential. Fort Baker's significance lies in its potential to protect and preserve. Protect and preserve history, the environment, natural habitat. It also lies in its potential to serve as a renowned center for education and recreation, for young and old alike. Currently, it's the location and the home of the Bay Area Discovery Museum. It is intended to be the home of the Fort Baker Institute of Sustainability. And, within our proposal, the location for a new school for the Sausalito-Marin City School District. Our approach to this project, and this whole process, has been very similar to other approaches that we've taken in public-private partnership projects.

Acquest Realty Advisers is Michigan based, Midwest based. However, we work nationwide, and we work exclusively on public-private partnership projects. That is our goal: to be involved in projects that are heavily invested with, you know, public interest. We are currently under construction and due to open on a project, a very historically significant project, in the

state capitol of New Jersey. So we have a lot of historic preservation background and a lot of public-private partnership background.

When we first began, as we first approached this project, the first thing that really struck us was how sensitive this project is, relating to the local community. We came in over a number of years, meeting with a number of different organizations within the community, trying to get the lay of the land and to learn more and more about what the community's needs were. We also spent a lot of time with the National Park Service. And I have spent probably quite -- many, many months and time in this vicinity. I've spent so much time here I can attest that Michael Freed does run everyday because I see him every time I'm out there.

I think, again, getting back to our approach, I think what we felt was that we wanted to create a project that would have the lightest impact on the land and on the environment, and have, be, the least intrusive to the environment and to the community.

I think what distinguishes our proposal are a number of things: We do have the least amount of lodging units of any of the proposals, at 151 units. And that is primarily due to the fact that we are able, through our financing vehicle, to have a lower cost of

capital that creates many economies, and creates more development dollars for us.

Additionally, we have a minimum -- we have tried to minimize the new building construction on the site. The other main distinguishing feature is our public partner, partnership. We wanted and we do believe this proposal relies heavily on public input and participation in a public-private ownership entity. And we'll discuss that in more detail in a few moments.

The other distinguishing feature is our team strength. Our team, our original core team, of Acquest, Benchmark, Gensler and Turner Construction Company, has stayed the course. We were the originally short-listed team, and this team remains today intact and dedicated, has worked tirelessly on this project.

Another distinguishing feature is our commitment to the FEIS mitigation requirements. We believe that our proposal effectively meets and exceeds all of those mitigation requirements, including the sustainability within its design, construction, operation and demonstration projects.

Our Traffic Mitigation Plan also is a strong traffic demand management plan, which includes three major goals, that of educating, implementing and oversight. And we'll talk -- other presenters will talk

a little more in detail about that proposal.

Lastly, our historic preservation goal, which is an important FEIS mitigation feature of the RFP, we believe we have addressed very effectively.

One of the important goals that we wanted to create within our proposal was economic self-sufficiency. We believe this is a goal of the NPS, the GGNRA. It is certainly our goal. We wanted to be as responsive to community issues as possible and that is typical of our approach.

I wanted to speak a little bit about our public-private partnership and to introduce a few folks.

This proposal involves combining resources and expertise of the private sector with the public ownership entity. The structure requires the formation of a Joint Powers Authority, the members of which are composed of, in our case, the Sausalito-Marin City School District. And I would like to introduce to you this evening Dr. Rose Marie Roberson, who is here with us. She is the Superintendent of the School District, of your local school district. Many of you, I know, know her and know what a wonderful asset you have in this community in her.

I would like to introduce, now, some of our team members, who are working with us, and give you a

little bit of background on them. Because we believe we have very strong local content within our team. Again, this is our core team, and it involves the team members of Acquest, which I've already mentioned.

Benchmark Hospitality. Benchmark Hospitality is one -- is the largest privately-owned conference center operator in the nation. Tom O'Shea will be presenting to you shortly. He will give you a good overview of not only the proposed operation of this conference retreat, but he will also give you a little bit of background on their expertise in this area.

Additionally, part of our core team is the architectural firm of Gensler. Gensler is a nationally recognized architectural firm. Many of you know of their work at the Geary Theater in San Francisco, that restoration project.

The other, the fourth, original partner to our team was the Turner Construction Company. Acquest has worked with Turner, and Benchmark has also, on a number of projects. But they have offices here in San Francisco, Oakland and Sacramento. Many of you know of their work at the seismic, historic restoration of the San Francisco Civic Center and its City Hall.

I'll also mention Page & Turnbull. Page & Turnbull was part of our core team. They are historic

preservation architects out of San Francisco, California. Have been involved with the Presidio doing studies for reuse of historic buildings at the Presidio.

The consultant team includes the firm of Flack & Kurtz, which is a San Francisco-based company, an engineering firm that specializes in mechanical, electrical and plumbing. They have done multiple restoration projects at the Presidio.

Also in our -- involved in our team is the civil engineering firm, the surveying firm, of Sandis Humber Jones. They're well known for their work at the Presidio Golf Course, in the rehabilitation of that golf course.

SWA Group is a landscape architect, based right here in Sausalito. Actually, their offices are right across the way here from the Bay Model. They're well known for their planning for the north sector of the GGNRA.

Also on our team is the structural engineering firm of Weir/Andrewson Associates. They have done many, many projects statewide. These are seismic improvements to historic projects. We're very -- we welcome their expertise in this.

Additionally, as part of our team, we're very proud to have the traffic management consultant of

Parsons Brinckerhoff, a San Francisco-based firm. They actually are involved in the ferry study for the GGNRA, currently in progress.

We have a few also financial and legal consultants that have been added to our team. Those are listed here as Peckar & Abramson, Kutak Rock and U.S. Bancorp Piper Jaffray.

I would like to now take a moment to introduce R. K. Stewart, who is the project architect from Gensler, who will walk you through our program and concept design.

Thank you.

STATEMENT OF

R. K. STEWART, PROJECT ARCHITECT

GENSLER

MR. STEWART: Thanks, Joan.

Can you guys hear me in the back?

As a 15-year resident of Marin County, I don't need to talk to you about how wonderful a site Fort Baker is. Like you, I've been there. I take my kids to the Discovery Museum. And, so, rather than belabor how wonderful an opportunity it is for us to engage Fort Baker, Sausalito and Marin in a great opportunity for a conference center.

I want to take just a few minutes, kind of

walk you through our basic concept.

Liz, could you flip through a couple? Go one more, please.

The technology is challenging us a little bit tonight. These slides really weren't that green when we put them together earlier. Okay, here we go.

You all know the site. We don't need to do a lot of orientation, but with the Golden Gate Bridge, Horseshoe Bay, the Parade Ground at the heart of the complex.

Our proposal is the smallest of the lot: 151 units. We'll be doing the bulk of our lodging units within the historic buildings on the Parade Ground, as well as the smaller units that go back up into the valley. Yet, we are proposing to add one lodging, about 36 rooms, but that gives us 115 rooms in the best sustainability solution I know of, and that's reusing an existing building. We'll bring those buildings back to their former glory. We'll restore them.

Many of you, I know, have been to Asilomar. The public areas, the living rooms, the halls, those things are the portions of the building we'll concentrate the restoration effort on. And the kind of private areas is where we'll create the rooms in a manner that is consistent with the Secretary of the

Interior's Standards, as well as the compatibility guidelines that the Park Service has established for the park.

We're going to be demolishing no less than 11 of the Capehart units, as part of this process, increasing the amount of open space existing in the fort. We think that's a significant contribution back to the community. But our guiding light through all this process has been the historic preservation, sustainability, and education guidelines that the Park Service has laid out.

So let me quickly kind of give you a conferee's experience as they come to a conference here at Fort Baker.

The process of the education will really begin before they ever leave home. We will educate them to the fact that traffic is a major issue here in Marin, and we want them to use alternative methods than driving their own cars to the conference center, such as shuttle services, reliance on some of the regional transportation issues. And, when the Park Service and the rest of us are able to get the water-taxi service going, we'll bring them here by those other means so they don't have to drive.

Entry will be down through Bunker Road to

Building 405, where we'll have our guest reception, registration area, reservations, and our employee service center. We'll have a parking lot there where those that do drive, the few that do, don't heed our advice not to, can leave their cars during their stay, which, in our scheme, is going to be 2, 3, 4 day average. The shuttle service that we'll provide will then be able to take them, through the vehicular loop along the back of the historic structures, to their units, and they won't need to touch their cars again while they're here.

We want to dedicate the interior loop of Murray Drive on the Parade Ground to a pedestrian zone so people can walk, ride the bikes that they can then rent at the gymnasium, which will be the heart of our recreation facilities, and experience the kind of traditional way of getting around outside a vehicle.

Building 601 is going to be the heart of our food service operation. Our new lodging building will come in over here at the southeastern corner. And, then, we'll add one other building, which is right up here at the top of the horseshoe [indicating] for our main meeting room.

So key point, again, and I'm going to go very quickly through this in the interest of trying to get us

all out here at a reasonable hour.

Again, we're the smallest of the scheme: 151 units. Okay? We have very, very low traffic impacts, given the low number of units, our reliance on a TDM program that will start before our conferees leave home. We're confident of our ability to drag down the number of trips generated by this facility.

We're going to enhance the sustainability through reusing buildings, lowering energy consumption, recycling methodologies, utilizing gray water for irrigation of the Parade Ground, and similar methodologies. We're going to preserve the history of not only the buildings, but also the landscape, the store, the traditional windbreak, and the other elements that we all know and love out there at the fort.

We're going to support the educational opportunity in three ways: First, the conference center itself, the Fort Baker Institute, which we are proposing to house at Building 533, the old hospital, and cohabitate with our administrative facilities at that building, so we can share not only resources, but also share the information that's important to the partnership that we have to establish with The Institute.

And lastly, our relationship with Dr. Roberson

and the Sausalito-Marin City School District. Our proposal will provide an opportunity for them to develop a charter school, adjacent to the chapel, so that the chapel can become kind of its heart and soul, and create a roughly 8,000 square feet of classroom facilities for them there, consistent with the compatibility guidelines and the Secretary's Standards, so that it fits into the fort as if its always been there.

Lastly, we'll be removing nonhistoric buildings, as I said. No less than 11 buildings to increase the amount of open space available to us. And we're going to provide for the local community input, you and I, through our public-private funding mechanism. Okay?

So, just quick images, and we'll just go ahead and cycle through these. Our lodging building, as you can see, will be very similar in character to a lot of the buildings that are already there. Our new meeting room building will fit into the Officer Housing of buildings that are on the western side of the Parade Ground. Our main meeting room will be provided in that facility. But, as you can see, these buildings are meant to be compatible and fit in with the character of the historic structures. Not going to be replicas, but they're going to be compatible with them.

This is a view of what the lodging building will look like as you walked up from the Discovery Museum to go up to the recreational facilities at the gym.

And, so, through a small facility, stressing sustainability and educational components, we think we've not only met the Park Service's goals for Fort Baker, but also served the community in a way that is exemplary.

With that, a major element of what we do is how we run this facility. So I want to turn it over to Tom O'Shea, from Benchmark, who will talk about the operational elements.

Tom.

STATEMENT OF

TOM O'SHEA, SENIOR VICE PRESIDENT

WESTERN DIVISION, BENCHMARK HOSPITALITY

MR. O'SHEA: Good evening. I'm also very pleased to be here this evening. I'm Tom O'Shea, Senior Vice President, Western Division, for Benchmark Hospitality.

Unlike "Field of Dreams," if you build it, they don't necessarily come. So it's very important to have a very strong presence here in the Western Region to make sure that, when we build we this conference

center, we will have business here that is appropriate for the style and size of the conference center that we're talking about.

What would you find at a Benchmark Conference Center, a Benchmark-operated conference center?

We really -- our approach is really one of balance, and there are three components to that balance: Living, learning experience, and the leisure experience.

The living experience, hopefully the picture tells the story. It's really the quality of the room product, the quality of the dining product, very consistent. The learning, obviously the quality of the meeting space, state-of-the-art technology, and staying abreast of current technology.

Leisure, we really look at leisure based on the location. We design programs that allow our visitors to maximize what's available in the local community. Obviously, there would be -- it would be very easy to design a leisure program in this area.

Our presence in Northern California -- well, actually, I should say our presence in the United States first -- you will notice, just looking at California, that we already have three existing conference facilities here. The one where I office out of is the Chaminade Conference Center in Santa Cruz. I say it's

an hour-and-a-half, but legally driving, it's about an hour-and-forty minutes. We also have one in Lake Tahoe in The Resort at Squaw Creek; and, of course, we just recently took over, in the past year, the private conference center of Sun Microsystems in Santa Clara, which is also available to the city of Santa Clara for use.

Chaminade Conference Center. Somebody mentioned earlier that, so far, we're six years into this project here. It took nine years for Chaminade to come to fruition. It has 153 rooms. Quite frankly, a blueprint very similar to this one here. Built on 300 acres. Very much the same type of situation that occurred here: A lot of anguish in the local community. But through listening and getting the suggestions of the community, the facility was built. Today, it's considered a tremendous success. If you were to go to Santa Cruz and talk to both the political and local communities, they would say that Chaminade, as a conference center, is a tremendous success.

The Resort at Squaw Creek really not relevant, as it relates to what's happening at Fort Baker. But, again, it just shows you -- and I'll explain later why I'm just dwelling on these projects -- it's a larger, more of a resort component; but, obviously, with a very

excellent conference component, as well.

The reason I have these facilities on here is that, during the preopening phase of the conference center, or any industry, any hospitality, the preopening sales team is a must. It's really what will determine your success in the first couple of years of operation. You know, typically, hospitality experts will tell you that a property stabilizes after three years. You know, what really stabilizes a property, a new property, is your commitment to preopening marketing.

Sun Microsystems. This was basically -- has a certain historical quality. It's a smaller -- it's one of our smaller facilities. And, as I said, other than Sun Microsystems, the city of Santa Clara is the only other user of that facility.

This one here, it's a very pretty picture. Hopefully, it will materialize, as we hope to be under construction within the next six months. Montalcino at Napa Valley, again, this will be similar to the Resort at Squaw Creek. But, again, one of the key reasons for showing this is that everyone of these properties has a dedicated sales force. And the way our company works is that you -- not only do you sell your own property, i.e., as a sales manager, you also sell all of your sister properties. So we will be in a position to have

at least 20 sales managers focusing not only on their respective properties, but also the preopening sales effort for the conference center at Fort Baker.

Key points. Community relations plan. We, as a company, it is required of all key executives to be part of the community. And when I say "part of the community," that means the level of serving on a board, whether it be a board of United Way, Women's Crisis Support Center, whatever. Those are, the two I mentioned, are the requirements that I have at Chaminade, and I serve on both boards.

Marketing the conference center. Again, this is a very key component. The longer they stay, the less they travel; the less transportation you have on the property. Typically, two to three days is the length of stay. But because San Francisco is more of a national destination, the stay might be longer. If it's more regional, it will be two to three days; but you have potential for up to five days. Good job, I said two to three days, huh? Good. Focus on the average length of stay of two to three days.

The focus on sustainable groups. Well, that's really -- I look at that threefold: One is partnership with the Fort Baker Institute. Understanding what their needs and their desires, and embracing what they believe

in. You might say, well, you know, co-marketing with them to groups that also share the same ideals. We have a similar situation right now in Chattanooga at a property we just opened in conjunction with the city of Chattanooga, and we're having great success bringing in groups that are consistent with what the city is trying to do there.

As I said, partnership with the Fort Baker Institute.

The implementation of sustainability practices. We work with companies that are consistent with what we're trying to achieve at Fort Baker. From an environmental standpoint, we -- I can just share with you something that we recently did at Chaminade. Based on the power crisis, we went through and complete retrofit of the entire facility for usage and consumption of energy. And we're estimating between a 15 and 20 percent reduction in energy consumption. We're already starting to see that.

At The Resort at Squaw Creek and the Chattannogan and really there as reference for what I mentioned earlier. The Resort was the fact that we built a golf course and it has been recognized by the Audubon Society, and some other environmental groups, as one of the most environmentally-sensitive golf course in

design. If not in California, in the country. Chattanooga, I already mentioned.

So there's just one thing that I wanted to finish on, which is that it is really important to understand the need to have a presence here as it relates to how to make a conference center work. You must have a strong pre-opening team. It is very important. And you must have -- you must be able to take your customers not only to Fort Baker, but show your customers that you've done it before. At Chaminade, for instance, we have customers from as far as -- after Tiananmen Square, believe it or not, Chaminade was the facility whereby the Chinese and U.S. Government came together to concentrate and to try and get back together again in regards to cooperation within the medical field.

I really -- well, I guess that's all I have for now. I will leave, in the interest of time, I will leave it for questions at the end.

Thank you.

MS. CLELAND: We obviously do not have enough time to spend a great deal of time on our financing proposal. But I know it is of interest to all of you. We have -- I'm going to introduce, I know we don't have enough time, but I will introduce Bob Swerdling, with

U.S. Bancorp Piper Jaffray, from his Torrance, California Office.

But, if you'll flip to the next slide, Elizabeth, I can talk briefly -- I mentioned to you about the Joint Powers Authority, which becomes the public sponsor and issuer of the tax-exempt bonds. That Joint Powers Authority will be composed of the Sausalito-Marin City School District, and one or more additional local governing agencies, or bodies. Those members of the JPA then appoint a public group that becomes the board of directors. Which, in essence, becomes -- this is how the community achieves the local input and participation in this project, which is very important.

Want to flip to the next.

The benefits of the tax-exempting financing for us have been the ability to lower the cost of capital, which provides 30 to 40 percent savings, you know, to our project. Participation by the local community is required, is a requirement of the public-private -- or the tax-exempt financing mechanism that we are proposing, and that allows us to develop, in a very sensitive manner, to the community issues.

And, lastly, an important issue, which is that all of the profits go to the public sponsors.

I'm going to turn this over, for our conclusion here, and introduce Ray Buddie, who is with Peckar & Abramson, and also a long-time resident of Sausalito.

STATEMENT OF

RAYMOND BUDDIE

PECKAR & ABRAMSON

MR. BUDDIE: Thank you very much. I know a lot of you know me, and I know many of you here in the audience.

If we could flip to the last slide, please.

I'll just recap what we, what we have presented and what I'm very pleased to be involved with. This is a project that gives us the lower room count;

Low traffic impacts;

Preserves and rehabilitates the historic buildings;

Makes full use of sustainability; and

Supports education through the Sausalito-Marin City School District, the Fort Baker Institute and the Discovery Museum.

It provides community benefits: A new home for the school district. Employee housing on site for staff and school personnel, and an economic self-sufficient project.

We're very pleased to have the opportunity to have been able to present to you tonight. And I personally am very pleased to be part of this project and this team, a team that brings public benefit, local control, and a home for a world-class public school for Sausalito and Marin City.

Thank you.

MS. LAYZER: Thank you.

[Applause.]

MS. LAYZER: Five-minute break.

[Recess.]

MS. LAYZER: Can we proceed? We will move to the question portion. If you will take your seats, we can move to the question portion of our program. It's after 9:30, and we're going to end at 11:00.

QUESTIONS AND ANSWERS

MS. LAYZER: Some of you in the back may not be able to see Margaret laboring over these questions. She's got piles and piles in front of her. And, as we began to calculate how many questions we'd be able to fit in to an hour and an hour-and-a-half, Margaret said there are not quickies here.

So it's obvious that we're not going to be able to ask out loud tonight all the questions that you have submitted. I wanted to reassure you that, even we

don't ask your question tonight, your question will not die at the end of the evening. They will be transcribed, provided to the proposers, who will be asked to submit answers, brief answers, to the questions.

I wanted to ask the proposers if I may use a kind of shorthand in addressing you, Acquest, Historic, and Passport. You don't object?

[No response.]

Some of the questions are asked to individual proposers, but the others may comment. Many of them address all three, and I will try to vary the order in which answer the questions.

Margaret, are you ready with your first question?

MS. JONES: Sometimes, I'm going to read -- someone in the back row, can you tell me that you can hear me?

Okay. I'm going to cluster these and will hope to have as many of them asked as possible. The first one is for everybody.

QUESTION: How does your vision for Fort Baker preserve and enhance public-serving, water-oriented uses?

And the related question:

There are all sorts of present users of the waterfront at Fort Baker, such as kayakers, the local outrigger canoe club, fishermen, the Presidio Yacht Club members, and those who come to just enjoy the serenity. Where will they park and will they still be able to do that?

MS. LAYZER: We'll start in alphabetical order with Acquest. It takes the proposers a little time to decide who is best to handle the question. Please come to the podium. We need you at the podium, both for the audio and the video.

MR. STEWART: Okay. Thanks, Anne.

Our proposal does not impact the current waterfront uses. We are to the north of the current waterfront, and will not be disturbing any of the current users of the waterfront.

MS. LAYZER: Okay. Historic.

MR. WHALEN: Our proposal, as you might remember, enhances the waterfront and encourages many more uses than are there today, and we look forward to working with the Presidio Yacht Club, and all of the other organized groups that are there, working in conjunction with the National Park Service.

MS. LAYZER: Passport.

MR. FREED: We were asked to address the site

at Fort Baker and not really to comment on the water uses. Our impact wouldn't really, doesn't really impact the water uses at Fort Baker. But one of the keys we think at Fort Baker is an overall plan, which encompasses the Discovery Museum, the use and our site. What we will need to do is to work with all three elements when all three elements are put forth.

MS. JONES: QUESTION: How do you envision your project partnering with the Bay Area Discovery Museum and providing educational opportunities for a family audience?

And a related question:

Could you get the Discovery Museum to have one day a month for free admission, as most museums do?

MS. LAYZER: We'll start with Historic.

MR. WHALEN: I think I'll leave the latter question to Lori Fogarty, of the Discovery Museum. But the first question, again, the first part?

MS. JONES: How do you expect to partner with the Discovery Museum?

MR. WHALEN: Well, we expect a very close relationship and partnering with them. For an example: We will have a lot of family visiting our conferences, and we will be arranging for them to have time there at the center. We will also arrange for the older children

at the Discovery Museum to visit the marsh and see that and understand the interaction of the critters and the wild -- or the birdlife there.

And, also, on our sustainability, there will be an opportunity for us to bring them and show them things that we are doing with photovoltaic lighting, and various other systems that we'll be putting in.

MS. LAYZER: Thank you. Passport.

MS. ABRAHAMSON: We'll be partnering very closely with the Discovery Museum. If the Discovery Museum didn't exist, we'd have to invent it. It's completely vital to our mission. Everyone of our scholars-in-residence will be interacting with the children. And we plan to work with them to most effectively work with group of children. We think that that will be an excellent site to work with. Also, of course, the Marine Learning Center that I talked about before.

MS. LAYZER: And Acquest.

MR. BUDDIE: Well, children are a very big part of our proposal. Our proposal includes the Sausalito-Marin City School District, grades K through 8. The Bay Area Discovery Museum is an incredible asset to the type of proposal that we are putting together for development of this particular property. We believe

that there's opportunities for shared space with the Discovery Museum, given their new and upcoming building plan. There's opportunity for shared programs with the Discovery Museum. I couldn't imagine a better site, or a better combination, of a primary school and the Discovery Museum in the same location.

Additionally, our project is set up so that it would be operated by a board of directors, a board of directors composed of local community members. And some of those members could be representative of the Bay Area Discovery Museum. So we would have a project that is organized, controlled and run by people that would include not only community members, but the Bay Area Discovery Museum, of course the School District, city of Sausalito, county of Marin. That's our proposal.

MS. JONES: As you might imagine, there are a whole cluster of questions about traffic. I'm going to read them all and hope that they will touch on most of them.

QUESTION: To all, can you delineate, be specific, what your traffic mitigations will be, for example: shuttle services, circulation, parking spaces, et cetera?

How many people can be accommodated at full capacity?

Does the number 227 include multi-room suites, as one room, how many bedrooms? What, then, is the parking plan for 227?

Explain your traffic-flow concept.

Passport, what will East Road be used for?

For all the presenters: Please, more detail on your transportation plans?

Do you have a reliable estimate on how many cars will frequent the Fort Baker Retreat on a daily basis during commute hours, in the evenings, and on weekends?

Where do you put the parking for the site?

You have, for Historic Restoration, you have barely as many parking spaces as you do guest rooms. How on earth do you plan to get hundreds of employees back and forth to work, give the public access, provide guests with parking? Shuttles, as we all know, are a nice idea, but not very practical.

And finally, Is it not unrealistic to assume that visitors will stay put on the site during their stay, and to assume that visitors, who arrive by car, will resort to using shuttles and public transportation to go out for dinner north, or via the Golden Gate Bridge south, and to -- handwriting problem -- the Redwoods, to the Wine Country, et cetera, et cetera, et

cetera?

I think that may require a 3-minute answer.

MS. LAYZER: Well, I think we'll go to a 5-minute answer, actually, on those. And at the end of the round of you all, I'll ask you whether you'd like another round.

Let's start with Passport.

MR. SARGENT: Wow! I wish I were sitting in the audience at this point.

Okay. Traffic mitigations, what are we going to do?

I'm going to just refer you to page 4 of our handout. If anyone doesn't have one, they're right in the back. And there's a list of 12 mitigations that we're just proposing that are pretty specific about some of the kinds of things that we're going to do and are committed to, and, I think most importantly, have budgeted for. We significant, in the neighborhood of \$450,000 just in the purchase of shuttle vehicles. And we do happen to be believers in the shuttle vehicles on this site. And I think that the point that they don't work sometimes in a lot of other areas is true in some places; and, in others, particularly in a closed environment like this, we anticipate that they will work.

How many people will be at full capacity, and how many bedrooms? That's a very essential question, and I've tried to figure that out. We believe that, with 156 rooms, if there was -- if we were just maxing out every bed, that would probably be in the neighborhood of 104 times 1 -- 1.4 times 156, which is about 220 to 230 people. And that's an important question because, yes, you know, there certainly will be double occupancy in some of the rooms.

With our parking plan, I ask you to turn to the last page of our handout. You will notice that there's a very clear plan that shows a number of parking lots that we feel we cleverly have placed on the existing footprints of the Capehart Buildings up here [indicating]. Most importantly, there's about 98 parking spaces down at the reception location, at the bottom of Bunker Road.

Because we are anticipating that we'll probably be operating, as most conference centers do, at around a 75 percent occupancy, we believe that this parking lot down at the bottom of Bunker Hill, where reception is, will take care of, on almost all days, or at least certainly the majority of days, the parking. That's located at -- you can't see it from back there; but that's located there [indicating].

In terms of total parking, we have 295 spaces. In every scenario that we've run, including the number of employees that we expect and the number of guests that we expect, we -- that 295 is satisfactory.

Passport, what will the East Road be used for?

East Road, we anticipate will only be used occasionally for service trucks because Bunker Hill Road will be too, is too narrow and too windy for that. We are going to route all of our guests down the Bunker Hill Road, all of our shuttle buses, and we pretty much guarantee that because of our location of reception, and a map will go out to everybody that this is the way to get to The Retreat at Fort Baker.

Number of cars that will frequent The Retreat -- boy! -- during commute hours and weekends. That's a complicated question, which takes a pretty big study to figure that out. And we believe it's an erroneous study if it's not done complimentary with all the rest of the partners at Fort Baker. So we will -- we feel that the real traffic analysis needs to be done, you know, in terms of our planning and our mitigations on a very detailed level, which is certainly what that is, on selection, and then working with the Bay Area Discovery Museum, and everyone else who uses the site, including the people of Sausalito.

Shuttle systems, I think I answered.

Then the question, will visitors stay put if they arrive by car? And, you know, that is really a fundamental question. We don't know now what people will do. But you're forcing us, and we believe in it, and, because I think that the way the Post Ranch is run in Big Sur, and many of the other properties that both Dolce International runs -- that's our conference center operator -- and Mike runs with Passport Resorts, is that they already deal with this problem of trying to get people out of their cars and not leaving in their cars, and using shuttle systems.

With that, I'm just about to get the stop sign again. So, thank you.

MS. LAYZER: Okay. Thank you.

Acquest.

MS. CLELAND: I guess I'd also like to refer to our handout, in the second page, which talks about our Traffic Mitigation Plan, and that's what I will address.

I think our biggest traffic mitigation technique is the market plan that utilizes multi-day conferences. Our transportation planning utilizes a number of creative approaches to minimize trip generation, and just discourage the need for private

automobiles.

Our team's general approach to transportation is three-pronged, as I had mentioned in our presentation. No. 1 is educate. Educate guests and employees through programs about the benefits of using alternative modes of transportation and off-site parking venues. Marketing programs that focus on a true sustainable retreat environment experience, with an integral part of that being using alternative methods of transportation to the site, like water taxis and other shuttle services, et cetera. Additionally, disincentive programs to discourage single-occupancy automobile travel to the site.

Secondly, the second approach, second prong of our approach is the implementation phase, which is providing first-rate, reliable network of alternative modes of transportation, and off-site parking alternatives, including a project-sponsored shuttle service for an off-site, on-site and off-site uses.

Thirdly is the coordination and oversight. We're proposing to provide a project traffic demand management coordinator, who will, as part of our team's commitment to coordinate with park partners and the local community, will oversee our plan, the plan, the Transportation Demand Management Plan, and correcting it

as it needs correction. So it's an ongoing process.

I'm going to turn this over to R. K. to talk a little bit about the parking and some of the other questions that were asked.

MR. STEWART: Thanks, Joan.

Since it sounds like, Tom, you read our proposal, as well. Well, a lot of the same things that Tom said we utilize in the conceptualization of our scheme.

Bunker Road will be our primary access point for visitors. Again, service vehicles, the occasional service vehicle, would utilize the East Road.

We're providing 195 spaces to service our 151 rooms. That's per the Park Service guidelines. In addition to that, the Park Service has asked for 20 spaces to service themselves and an additional 5 spaces for The Institute. So we've got a total of 220 spaces as part of our scheme. A good slug of those are provided near Building 405, as our friends at Passport are doing, to provide that intercept lot so people don't need to use their cars to get around and can rely on our shuttles. The remainder of those spaces are tucked into the hillsides, tucked into the landscape, behind the buildings that are on the Parade Ground, so that vehicles will not be observed moving around the Parade

Ground. The views to the Bay and the views to the city will be preserved and kept free of all of those kinds of unsightly cars that we all don't want to be associated with. Okay?

Thanks.

MS. LAYZER: Okay. Historic.

MR. WHALEN: I would like to call upon our transportation engineer, Paul Menaker, to answer that question on our behalf.

DR. MENAKER: Thank you. For the record, my name is Dr. Paul Menaker. I'm a senior vice president with KORVE Engineering, and certainly pleased to be here tonight.

Let me share with you what our transportation plan really is. It's a combination of managed supply and managed demand. What we plan on doing in terms of managed supply is, first of all, strategically placing our parking spaces so that there are intercept spaces capturing people as they come on to the site.

Our spaces, for the most part, are at our entrance. We'll be able to control the parking, control the people, as they're coming in. So, in fact, we control or manage where people are going to park.

We're going to be using intelligent transportation systems. What does that mean? First,

we're going to have a web page, so that someone who wants to come to the site will understand where to go, how to get there, and what modes of transportation to use.

We're going to have an on-site transportation coordinator. A coordinator that will be able to deal with transportation issues on a daily basis, be able to solve the problems associated with getting to and from the site.

We're going to have realtime information. That is to say, as the parking lots fill up, the people at the gates will know when they're filling up. That way, people won't need to circulate around the site. They'll go exactly to where they need to get to.

We're going to have theme-oriented shuttle service. I should point out that these are buses that people are going to want to take, or shuttles that people are going to want to take. They're going to be alternative-fuel vehicles so that we're not using gasoline-powered vehicles.

We're going to be using water-born transportation. And I should point out that we're the only team that are improving the docks, the only team that will really be able to capitalize on water-born transportation.

We're going to be using scheduled Golden Gate Transit Services, being able to use the type of transit services which are out there today and capitalize on those services as we move forward.

We're going to be using existing livery services, identifying for people ways of being able to get to the site, to and from the site, from the regional airports.

We're going to be using, in terms of the supply -- I should point out that suites do not mean more cars. What they -- what it really means is a wife will be there, or children will be there. But we're going to provide activities on the site so that people don't need to leave the site.

Let me talk about managed demand.

Our uses do not coincide with peak periods. We were very, very stern, as we were going through the planning process, to make sure that we do not impact the peak periods, such as used like a charter school, or such as used like residents, which are on the site. The bottom line is that we don't plan on adding additional traffic, above the minimum that is necessary, onto Sausalito streets, onto the regional streets, during the peak periods.

We're going to have incentives for high

occupancy vehicles. What will those incentives be? First of all, better parking spaces, closer parking spaces, for those people that travel to the site using high-occupancy vehicles. We're going -- and I've talked to the operators -- we're going to have potential fee reductions for rooms, for people that travel to the site using high-occupancy vehicles. We're going to have subsidies for transit and livery service, ways of being able to make transit services and livery services more attractive to the people that want to get to the site.

We're going to have managed events and on-site activities. We're going to reduce the need to use privately driven automobiles. We're going to have on-demand transportation services provided to be able to get to Muir Woods, or to be able to get to Sausalito. What we're really doing, by having a transportation demand coordinator on site, is to be able to deal with the issues as they come up.

Finally, we believe that we also need to manage special events. To that degree, or to that end, we plan on setting up what we call a TDM Committee. That would include GGNRC, the city of Sausalito, Marin County, Golden Gate Transit, to be able to deal effectively with transportation issues. We want to partner with the local agencies. We want to be part of

the solution for this site.

I have 30 seconds left. Just a couple of other elements.

We are not paying lip service to what we're saying. Of the three proposals in front of you tonight, we have the lowest parking ratio. With our TDM Credits that we're recommending, with our reduction in trips that we're recommending, we're at 1.04 parking spaces per room. Passport is at 1.9; Acquest is at 1.4.

We believe in our program. We believe it's going to work. And to that end, we're pleased to be here, to be able to talk to you about it.

MS. LAYZER: I'm going to actually do another round on the issue of traffic because I think -- we think that the answers have addressed the issues of guest and visitor parking, but not answered the question about employee parking.

So, let's start again with Passport to address the issue of employee parking.

MR. FREED: One of the things we proposed in the RFQ was to provide employee housing at Fort Baker. Employee housing will be given to those employees who need -- who don't have other forms of transportation. So the employee housing is a key element to -- from a traffic end.

MS. LAYZER: Two minutes. I didn't give you the time, two minutes.

MR. FREED: We used to run the Lodge at Skylonda. We had an employee shuttle plan at Skylonda, where the employees were scheduled to show up at a certain time, at a certain place, and were shuttled in there. We had very limited parking there. So we've done it in the past, and it's worked extremely well.

So our concept has always been to work with our existing staff to, first, provide employee housing, which we've done at Post Ranch. It's worked extremely well. And second, to create a shuttle system for our staff.

Thank you.

MS. LAYZER: Thank you. Acquest.

MS. CLELAND: Our proposal does include program for employee education, and also for employee -- off-site parking for employees, as well as encouraging our employees to participate in and take advantage of regional transportation systems to the site. Benchmark has a great deal of expertise in dealing with this issue because of their tight site at Chaminade in Santa Cruz. They certainly know all of the creative ways in which employees can be educated and incentivized [sic] to various incentive programs to find alternative modes of

transportation to the site.

MS. LAYZER: And Historic.

MR. WHALEN: I'm going to ask Chuck Broman, of our team, to answer that question.

Thank you, Chuck.

MR. BROMAN: For the record, my name is Chuck Broman, with Brothers Property, American Financial Group.

We're pretty much the same as the other guys, in that we do the shuttle with the employees. On various of our projects, we have had employee housing. It's awfully hard and difficult to control who has a vehicle and who doesn't, and the number of vehicles and the number of trips that that entails or generates. So we have also looked into the shuttling of the systems, tied in with the Marin County, and all the other bus traffic, public facilities, that are available.

That's also how we do our employee trips, is: We remote our staff, our human resources department -- I was starting to say HR and use a lot of the local terminologies -- the human resources is off-sited so that we go to the place where the employees are available and can be hired into the property. We do a lot of web searching, as far as people being able to go on line and study the site, see what's available for

them in ways of employment. So we do very little traveling impact into the site.

Thank you.

MS. JONES: Now on a different topic, for a change.

QUESTION: What plans do you have to protect the endangered species at Fort Baker, specifically the Mission Blue Butterfly? That's one.

Where did you get the ridiculous notion that salmon are going to spawn here if you restore the marsh?

Third: The renovation of the marsh, isn't this out of the jurisdiction of the RFP? Can you really let some group pay an extra \$6 million, or whatever the cost is, to, in essence, buy the deal? We didn't realize it was for sale to the highest bidder. This is not right.

MS. LAYZER: Acquest.

[After a pause.]

Acquest, have you made your selection?

Okay, what's your name?

MS. SHREVE: My name is Elizabeth Shreve, and I'm a principal with SWA Group, right across the street. We're the landscape architects for the Acquest Team.

In preparing our proposal, we looked very carefully at the National Park Service's guidelines for

the project. Very well thought out guidelines for a preservation of habitat. And in our proposal, we've looked at establishing three different types of landscape areas: cultural landscape, transitional landscape, and natural landscape.

The Mission Blue Butterfly habitat is designated by the National Park Service's plan for Fort Baker, and we respected that. We also plan to work with the Park Service and their nursery stock program at the nursery out at Rodeo Beach in using appropriate native and habitat enhancing planting that will support the habitat for the butterfly.

MS. LAYZER: Historic.

MR. WHALEN: I would like to ask Manuella to speak on behalf of Royston for us on this project, on this issue. She's worked very hard with us in developing this marsh area, and I think she'll do an excellent job on explaining it.

MS. LAYZER: Okay. Introduce yourself again.

MS. KING: Okay. My name is Manuella King, and I'm a principal with Royston, Hanamoto, Alley & Abey, landscape architects in Mill Valley. And I'm a local, also, and a member of the Discovery Museum, and very committed to the future of Fort Baker. I just had to add that in.

As landscape architects, we tend to look at projects holistically. That is, we don't just look at the gray area on the map, but we look at the whole site, and the whole area, and the whole Bay Area, and how does this project fit in?

So when we think about habitat, which is always very important in our projects, we also, as Elizabeth said, we follow the National Park Service guidelines for habitat restoration, and take them very seriously, including developing the transitional landscape zone between the natural and cultural landscape, establishing a habitat control protection fence to keep visitors out of the habitat area, and removing all nonnative species from the area, to really encourage and preserve the habitat.

As far as the marsh goes, again, as I said, as a landscape architect, we think about the project holistically, including the hydrologic systems. And we're working very carefully with hydrologists and biologists to insure that our marsh processes the waste water, or the storm water, of the site in the most environmentally sensitive way, and is a successful habitat for the waterfowl of the area.

This is my partner, Doug Nelson, and he wants to something, too.

MR. NELSON: Thank you. I'm Douglas Nelson, from Royston, Hanamoto, Alley & Abey.

I'll just add to that. I think Manuella covered really covered most of the points.

The National Park Service has an existing program for habitat restoration, which will be a definitely -- this team will be a part of, and, more so, in an ongoing process. Because this is long-term removal of exotic vegetation, planting of host species. We're also looking at really the entire site as habitat, and not just the butterfly habitat. There are other species involved in the site, and we're looking for, really, the holistic approach.

I'll also just mention that we've been involved with the habitat restoration at San Bruno Mountain, which is another significant, or the most significant, Mission Butterfly habitat in the San Francisco Bay Area.

MS. LAYZER: Thank you. Passport.

MR. FREED: Well, first, we've named our restaurant "The Mission Blue Butterfly."

[Laughter.]

We have an entomologist that's on our team. At Post Ranch, we have the Smith Blue Butterfly. And, so, we thought it was important to make sure we had an

expert on our team to deal with the Mission Blue Butterfly. We actually see this as an interesting opportunity for us. Because, in the restaurant, is an exhibit.

We think it's important, when people come to Fort Baker, both the guests as well as the community, that there be exhibits on the butterfly. We've had experience with that at Post Ranch. We also deal with the red-legged frog at Post Ranch.

The fact that there is endangered species, or threatened species, at Fort Baker is really an opportunity to learn and to share, and to share what we know at the site.

Also, part of our program is to bring in scholars and scholars-in-residence. Joan mentioned to me that some of those scholars that we have are experts in endangered species. And, so, we think it created a very interesting educational opportunity for us to share this knowledge with the community and with our guests.

I'd like to introduce Cheryl Barton. Cheryl is going to be responsible for our landscaping plan. I think she can comment a little bit more on how we handle the Mission Blue Butterfly.

MS. BARTON: Thanks, Mike.

We will continue -- as has been said, the Park

Service has done extensive work on identifying Mission Blue Butterfly habitat. We will continue our same procedures that we've using at the Discovery Museum. It's not only important to identify these areas and keep people away from them, but it is important to not plant competing species, and not create competing environments that begin to endanger these.

So, taking it one step beyond identifying cultural landscapes, traditional landscapes, and native landscapes, it's also important not to develop habitats that will confuse the butterflies and bring them into the areas where they are endangered. So, one more point.

MR. FREED: One other issue I'd like to raise. Part of our plan does not add any roads, unlike, I think, some of the other plans that have been proposed. And I think, once you start playing with the landscape and putting in roads, I think that has a real impact. And, so, I think the more you minimize soil disturbance, et cetera, I think it makes a big issue, an important issue, in terms of controlling the habitat.

Thank you.

MS. BARTON: And we're also intentionally not creating wetlands.

MS. JONES: Next question:

QUESTION: How will your retreat center be open to the public? Will the conference center be open to the public for programs, restaurants, and amenities?

MS. LAYZER: Historic.

MR. WHALEN: The conference center will welcome all the public, and we would hope that they would come and use many of the amenities we have there, such as our restaurants, and so forth. And the grounds around the conference center, that would be open to the public at all times. I'm certain the public would have activities on the Parade Ground. It would be a very, very open space. Certainly, we feel we're part of the public and certainly are going to welcome there.

MS. LAYZER: Passport.

MR. FREED: First, 20 percent of our rooms at Fort Baker are set aside for the use at the federal per diem rate. Second, I think you don't address the issue of the Learning Center. But one of the key components to our plan is that Fort Baker, for the programs and the workshops that we're planning, would be open to the, would be open to the public. We think that's one of the absolute keys.

Our restaurant also would be open to the public. One of the issues we talked to about to the Discovery Museum is how to handle parking with the

restaurant. And the Discovery Museum is not being used in the evenings. So our goal would be to use the parking that the Discovery Museum is not using so we don't have to add additional public parking to accommodate the, accommodate the restaurant.

Joan, I think you should address the issues on the Learning Center.

DR. ABRAHAMSON: Yes. I think one of the major differences with our proposal is that we're not really a conference center that allows the public to come. We're really a public place. We see this as a park, as a national park, as an international thing as part of this community. And we feel that it should be the kind of place that people do not feel excluded from because it is a hotel, or a resort. And, so, we're making a real effort to have programs that will attract people just by their quality and while maintaining a low impact on the site. But we hope to maintain the open feeling it has now, where people feel they can wander in, use it for their private use, participate in a formal activity, if they want to, such as at the Discovery Museum. But we feel that the public purpose is the primary purpose of what we're up to.

MR. FREED: Let me tell you one of the things that we've tried hard to do. We've met with the Marin

Institute, and we've also met with the Marin Institute for the Arts. One of the keys that we see to this project is incorporating the park partners that are at Fort Cronkite, Fort Barry, to work with us. Now, if we're able to bring in, if we're able to bring in speakers, some of the speakers we'd want to bring in would be from the Marin Institute for the Arts.

The other, given the fact that we're a family-friendly retreat center, our goal is to be able to take the kids over to the Yosemite Foundation at Fort Cronkite so that they can get an education over there, as well. And, when we bring in speakers, those speakers can also go over to the Discovery Museum to address the kids, could go over to the Marin Institute. And, so, we see the programming as the absolute key to what we're doing.

Tom and I, when we started this project, frankly weren't interested in doing a conference center. Our goal was to do something for the community that created programs and workshops where the community, as well as our guests, can learn. That's why we've teamed with Hollyhock in Canada, the Omega Institute, and now with the Esalen Institute, to help provide those programming for the guests and for the community.

MS. LAYZER: Acquest.

MS. CLELAND: Before I let Tom O'Shea address that question, I did want to clear up a potential misconception of the conference center, the conference center is not open to the public. That is not correct. Certainly, our project is totally anticipated to be open for public access. And, in fact, one other point that I want to make is that we will be looking to share program space not only with our school district partner, but also with the Bay Area Discovery Museum. That necessitates public access from many of the partners that we're working with, the public partners that we are working with.

I'll let Tom talk about his operation.

MR. O'SHEA: Basically, the conference center is really the foundation of the business model, you know, what makes it work? Then you build around that. An example would be: On weekends, you know, really there's not a lot of conference business.

So Chaminade, as an example, would be very good -- I could give you some good examples. Typically, people leave on a Friday, and the local, the local community participates in the facility on Friday, Saturdays and Sundays, for brunch, or whatever.

When I talked earlier about partnership, we're very involved in the community, as it relates to go out

and participating; but we also underwrite a lot of chargeable events. So not only would we want to see the local people come to use the facility, but we would also want to be part of fundraising, et cetera, with local groups.

So, yes; we would absolutely -- for us to be successful 5 years into the project, we would want every local member saying that we've been there and it's a great experience.

Thank you.

MS. JONES: There's one inevitable question about a nonendangered species.

QUESTION: Will dogs still be allowed once the conference center is built?

MS. LAYZER: I'm sorry. Shocked by the question. Okay, Passport.

MR. FREED: Thank you for asking that question.

[Laughter.]

I've been walking my dog at Fort Baker for 15 years, two dogs. Not two together. One dog, and that dog passed away, and now a second dog. I intend on walking the dog at Fort Baker, and I believe that is a part of what Fort Baker is about. And, so, I believe that dogs should be allowed to walk at Fort Baker. It's

been an historic use there, and I have no trouble with allowing that to continue. And, if I did, I'd have to move out of Sausalito.

Thank you.

MS. LAYZER: Acquest.

MR. BUDDIE: We're not going to ban dogs. There are certain things -- I think the Park Service might have some rules; but that's not our situation. We're not banning dogs.

In my former life, like Mike, I had dogs instead of children. I now have children instead of dogs. But, when the children grow up, I hope to have dogs once again, as they get a little bit older, and I'm getting more sleep and can spend some more time. Because that really were an important part of my life: raising and training the dogs, and taking them out. And open spaces and places where they can run, you know, is important. And I recognize that; our group recognizes that. So we're not putting any restrictions as part of our proposal at all.

MS. LAYZER: Historic.

MR. WHALEN: Pres Kabacoff just leaned over and told me that we're dog-friendly, but within the rules of the National Park Service. Thanks.

MS. JONES: There are a whole cluster of

finance questions. I'm going to read several of them, and then you can answer whichever ones you want to. But people really care about the financing.

QUESTION: How much money will you pay to GGNRA, for operating in Fort Baker each year, up front?

Who are your financing partners? How much are they putting in, each of them?

How many people are you planning on the property in total, per day, at a maximum?

What will you cut from your plan if you have to decrease the number of rooms?

What is your total project costs and is the breakdown of the costs, in ten seconds or less?

Please explain how you plan to finance this project and maintain it long term financially, particularly in this current unstable economic climate?

How are you financing the development of your planned center? What is your net profit expectation in the first year, the second year, the third year? What year will the project become profitable? And what line item will contribute the largest percentage to your cash flow from operations, and what percentage is that?

This card happens to go on and on, but that's all you're going to get.

Tom Peters, of the Marin Foundation, has said

that there is a congressional mandate for sustainability for Fort Baker, much like the Presidio. Is this true? Is there a mandate for sustainability?

This one says: This is a very technical but very important question, and I hope somebody knows what it means. What is your first stabilized year capitalization rate?

MS. LAYZER: You can see what a slave driver Margaret is, as our president. I don't think it's reasonable to expect you to do that in three minutes. Let's start with five minutes and see how you do.

Acquest.

MS. CLELAND: I'm not sure I got all of the questions.

MS. LAYZER: No.

MS. CLELAND: I had a hard time hearing some of them. But I think we did a brief -- had a brief discussion of what our financing proposal it is. It is taxes and bond financing. The total project cost of our project costs approximately \$43 million. We do have a provision within our operating costs to pay the prescribed service district charge, which is what the NPS requires to make sure that they have the funds available to provide the services to all the park partners. So we will just be a park partner in that

scenario.

So that answer to that question is: Yes, we have provided that within our operational pro forma.

Our financial partners are really our public partners. And Bob Swerdlung, here from U.S. Bancorp Piper Jaffrey, will speak a little bit about the tax-exempt funding technique that has been used successfully in other situations. Then maybe we can follow up with some additional questions.

MR. SWERDLING: Thank you.

I think many of the questions that were asked in the list that we were just presented with can be answered by describing the type of financing that we're using.

The word, "public-private partnership," has been used over and over and over again this evening. The part of the partnership, as we're using that word, that belongs to the public is the project. The return on capital, from a perspective of how much money are the investors getting on the project, the team members in this team, and this proposal, are not permitted, by law, under the financing structure, to participate in profit. The profit goes back to the public sector. The profit stays with the public sector and is used as the public sector deems appropriate. Each of the team members must

be paid under this financing structure with fixed fees. They are fee-based development; it's fee-based construction, and they are not equity interest holders in the property itself.

MS. CLELAND: One other answer to one question here is the maintenance, long term. We have also provided within our operations projections the required reserves for replacement and repair. Those are required under the NPS's RFP, and we have provided those within our pro formas.

MS. LAYZER: Historic.

MR. WHALEN: Well, we'll give our toughest question to our toughest guy. Chuck.

MR. BROMAN: Can you repeat some of the questions to me, I'd appreciate it, but --

MS. LAYZER: Okay.

MR. BROMAN: HRI is blessed with two partners, American Financial and Kimberly-Clark, that are financing the project. The level year is year 4. It's looking at a cap at the end of year 4. There's no profits for the first 3 years. We also have all the things that are required in the RFP, and all the additional revenues for everything else. And, I'm sorry. You're going to have to help me with the other questions.

MS. JONES: What does the --

MR. BROMAN: That's number I don't remember. There were certain prescribed numbers that were there. I did have it, but I don't have it on top of my fingertips.

Lynn, do you happen to remember what the number was? But I'd be happy to respond.

In this financing market, how would I do it? I thank the people that I'm working for, that they've become involved in the property. And I thank the Kimberly-Clark because they are in the historic rehabilitation, the same as we are. And we look to our own funds to do the properties, so it's from cash available. And we look to maybe the Historic Tax Credits, is the only kick that we might get out the product.

MS. LAYZER: Okay. Passport.

MR. SARGENT: Like I said, Mike gets to talk about dogs and romance, and I get to do these long questions.

I'm going to try to answer the questions, as they came, in what detail I can.

The first question was: What are we going to pay the GGNRA each year?

And that is completely contingent on three

components, the first component being the Service District Charge, which is a set amount based on a per-square-foot cost per number of square feet in the project, including -- I might say -- basements, according to the Park Service.

The second component is a rent component, which has to do with a base rent and a percentage rent. And because this is a competitive process, I don't think it's appropriate to kind of go right into the full numbers right now. But I think that, you know, we can say that what we look in being in partnership with the Park Service. And we're also in the same kind of relationship with the Presidio Trust in the Presidio, where they share completely on the upside. So there's a percentage of total gross revenue, which is really a part -- is a major part of the rent deal.

The third component is what's called a guest program, or what we like to call it sustainability fee, which is like a hotel tax. That's actually quite significant. And that will be coming to the Park Service, you know, based on the number of guests that come.

In terms of our financing partners, this is a project that we're funding -- as we do all of our projects where we're general partners -- out of our

pocket, and our own -- and our sort of group of partners, as does Passport, and as does Dolce.

Dolce, as our management partner and as a financial partner, is a significant company, which has 4 properties in Europe, and I think it's 13 in the U.S., most of which they own. They have significant assets, and they are prepared -- as we are -- to invest their own money. And that's a very important thing. We go at risk, and that means that we have to make this thing work. And I think that's what you want in terms of a property like this. This is exactly how we've done three long-term ground leases in the Presidio, representing about 275,000 square feet of historic buildings. We are at risk, and we make that the buildings are taken care of.

How many people will there at maximum?

I tried to answer that question before. I guess it was inadequate. We think, on average, because we're, you know, we're assuming about a 70 percent occupancy. There will be about 160 guests, you know, on an average day. And the maximum ever, which is only going to happen 5 to 10 percent of the year, or even less, would be somewhere in the neighborhood of 225.

What will we cut to decrease the project?

You know, that's a really hard question to ask

us right now. We spent four months, fighting tooth and nail, over every square foot of this building and this site. And I can't give anything up right now. So we're not cutting anything. We think that we have a really good project. And we think it's important for the site, the way we've proposed it. And we think it's important for creating something that I, as a Marin resident, will be proud of. And I think all of you from the city of Sausalito will be proud of. I think we'll be proud as a region. I think, in this current climate, it's a place that's really needed. So we're not cutting.

What are the project costs and the breakdown?

Total project cost, for this project, is \$63 million; \$55 million of which is for the lodging/conference center; \$8 million of which is for the Learning Center.

If you turn to your handout, we have actually just laid out, on page 4 and page 5, how those costs are financed, essentially. I'll just give you a quick summary.

Of the \$55 million in lodging, we have a \$27 million loan, of which have Letters of Interest -- which is about all you could ever get from somebody at this point -- for that \$27 million from the First Republic Bank in San Francisco, who has already provided a number

of loans to us on ground leases in national parks at the Presidio. So they are familiar with the mind-numbing task of doing financing with the National Park Service and on a ground lease.

We have -- we're utilizing the Historic Tax Credit, which you would also utilize on all projects in the Presidio. It's about \$5.5 million of that. Then we're investing \$14 million with our partners.

The Learning Center -- I got 30 seconds. The Learning Center is funded by \$8 million of lead foundation grants, which we feel confident that we have the ability to do this. This formula is very similar to the way that we developed the Thoreau Center. I think that gives you a pretty good idea of how that's going to work.

What's our net profit expectations?

Just hoping there is some. Anyone want to sign on with us? I'll take -- I'll meet anybody who is interested in investing. If you think we're walking away with a lot of money -- I got a stop sign. We don't care about the mandate from the Park Service. We would do it this way, anyways, because of our past experience.

MS. JONES: Only two here.

QUESTION: Please tell me if the following roads will still be accessible to the public? Also,

will they be safe for bicyclists? Bunker Road to Murray Circle, to East Road, to Fort Baker Road. Also, what about the bicycle path off the 66 bridge down to Murray Circle.

The second one: Are you intending to promote bicycle thoroughfares for bike commuters?

MS. LAYZER: Historic.

MR. WHALEN: We'll ask Chuck Broman again to answer that question.

MR. BROMAN: Yes. We expect to keep both of the roads open, and would like to encourage bicycle use to Murray Circle. Again, it's outside the parameter of the actual project itself, but we'd like to work with the park and the park partners and make both the pedestrian and the bicycle traffic safer on all the roads, and also to explore additional hiking paths to get through the property and not get run over.

MS. LAYZER: Passport.

MR. SARGENT: Biking is really important in this part of the park, and we support it. At the Presidio, the Thoreau Center, we run -- we work with a park partner, which is the Community Bicycle Center, and, there, we do rent bikes and repair bikes. So we're true advocates of trying to do that, and we would certainly try to partner with them here.

In terms of the use of the roads, there's is really no impact, or nominal impact, with our plan, since we're capturing most of the cars in terms of our, on most days of the year, right at the reception, if you remember, at the bottom of Bunker Hill. You know, the question -- there will be more traffic on Bunker Hill. And I think that we're going to have to pay very close attention to those curves and to the tunnel there, because we are making -- there's, you know, somebody has to lose. By not bringing the traffic down Alexander Avenue, we are focusing, certainly, the traffic on that Bunker Hill Road, which is a very pleasant place to bike right now because very few cars go down it. I think we'll have to look at creating some kind of a bike lane on the side of it. But, with that, we have to work with the National Park Service. It's outside of the range of our project area.

MS. LAYZER: Acquest.

MR. STEWART: As part of our scheme, we'll not be creating any new roads, and we'll be continuing to provide access to all the road system that currently exists there. We will close Murray Circle to vehicular traffic, so it's going to be the most bicycle-friendly component of our facility. We will provide bicycle rental at the gymnasium building as part of our

transportation scheme. And we'll be encouraging our guests to utilize the bikes to get around while they're staying with us at the conference center.

MS. JONES: Another group, I'm sorry.

QUESTION: Do you have a plan to expand beyond your proposal over time?

Will expansion be allowed once a proposal is selected and built?

Addressing the concern of economic viability, should your revenue projections fall short, what financial guarantees will be in place to assure that the activities and facilities you have promised will become firm realities?

The developers, this evening, have discussed whether their hotels, office spaces, restaurants, gymnasiums, bookstores, et cetera, will bring in sufficient revenue streams. If the developers discover, halfway through their projects, that their 150-plus room hotels, office spaces, et cetera, will not generate enough money, what will stop the developers from increasing the size of the hotels to 350-plus rooms, or more?

What protects Fort Baker and neighboring communities from requests for more rooms at some future date due to financial exigencies?

How are you bound contractually to the plan you present?

And finally: These hotels will be located right on the shores of San Francisco Bay, and the rooms will have stunning views of the city and the Marin Headlands. If these hotels draw in huge profits, what will stop the developers from reaping even more profits in the future by later increasing the size of the hotels?

There's a theme here.

MS. LAYZER: Passport. We'll try three. It it's not sufficient, we can do it again.

MR. FREED: When we submitted the RFQ, our proposal was for 100 to 150 rooms. Our goal is to keep it as small as possible. When we hired Herrera Brothers to work with Tom on costing out this project, it came to \$63 million, including the Learning Center. And in running all of our numbers, we couldn't do any better than getting it down to 156 rooms.

Our commitment to you, to the city of Sausalito, and to the Park Service, is never to do more than 156 rooms. And our goal is, if we can bring the project financing down, so that can either find additional nonprofit, foundation money, we'd do less rooms. Because, frankly, the fewer rooms at Fort Baker

the better. But to make this project work at the \$63 million dollar number, we're at 156 rooms, and we're very confident we can do it.

When we did Post Ranch, we hit our stabilized numbers in our first year. And we're very confident, in running these numbers, that we're going to hit, be able to hit, our projections. We worked with PKF, one of the premier hospitality and conference groups, to look at our numbers. They are in total agreement that the numbers that we've projected are realistic. So we're very confident we can do that.

But beyond that, we have a very low -- we're putting a lot of our own capital in this project, and have a very low loan. Really, what's going to happen is that, if we don't hit our numbers, what it's going to mean is, is that the investment that the partners will make, we're not going to make what our pro forma is going to be. But we're clearly going to be able to carry this project, and so we're very confident from that end.

Tom.

MR. SARGENT: The conference business, and certainly the kind of programmed business that we're really looking at, you don't want to have too many rooms. There isn't -- you know, adding more rooms

doesn't necessarily mean more profit. If you remember, I said that probably 80 percent of the business, in terms of the group business, will be in groups of 20 to 30. If you have 156 rooms, that means you got to be doing a lot of different meetings to keep those busy. And we, even in our pro forma, are assuming about a 70 to 75 percent occupancy.

So, you know, it's not like the variable is just, you know, more rooms, more profit. We feel, in having studied this and we have had PKF Consulting help us look at the numbers very closely, as well as Dolce International, as well as Bruce Harraba, who runs Silverado, help us look at the numbers. And we all feel this is the right size for the market, for this site.

Now, just personally, we also, from an architectural and urban design point of view, don't want to put any more stuff on the site because we don't feel, think, it fits right. We feel that -- I mean, we studied the site very carefully and spent a lot time there. We feel that there's not really that many other places to put buildings that would be nice and attractive. Yes, there is certainly land; but not necessarily to build, to build more. And I think -- I agree with Mike completely. We make a full commitment not to exceed that amount.

How can we be tied to that contractually?

Well, that's very clear. Anyone is welcome to take a look at the size of the lease that will probably be signed on this, and the amount of provisions and details that will be in there. This is just the limit -- the limit of the size is just one minor one to all of the other provisions that we will be held to by the Park Service to do this. We know this because we have done, as I said, three long-term leases with the Park Service in the Presidio already, and there are extensive, rigorous documents of which the first one we went through 19 drafts on. So they're not -- it is not like the Park Service is here to give it away. I'll tell you that.

So what protects Sausalito?

Clearly, having 175 to 200 people in a public meeting like this, and keeping the pressure on, protects you. I think, with our team, since we're here, we've made that commitment publicly, and we're not going to, we're not going to over develop it.

Anything else?

MS. LAYZER: Okay. Acquest.

MR. BUDDIE: Well, first of all, I guess the short answer is: No, there will be no expansion over 150 rooms, 151 rooms, that we've proposed. But key

component of this is that our particular project involves complete local control of the project. We do not own the project.

The team that's here, that's put together to actually create this project, does not own the project. The project is owned, or, in this case, really the leaseholders own, or is controlled, by a local Joint Powers Authority. That Joint Powers Authority will appoint a board of directors, a nonprofit corporation, that will actually own and control the project. And that's all of you out here. That's the school district. It's representatives of the Discovery Museum. It's representatives of the local community, representatives of the Friends of the Park. Those are the people who control the project. So we will not be here trying to make more profits and trying to increase room rates, or build more rooms at a later date. You control the project. It's your project. It is a local project.

That is the concept of the public-private partnership and the tax-exempt financing that we're using to put this project together. The tax-exempt financing gives us such a low cost on the interest, such a low cost of financing, that our project can be smaller and it can stay smaller.

The financial guarantees are, that are built

into our pro forma, are operating reserves to make certain that we don't have a problem, that we don't run short on debt-service payments. There has to be a certain amount of debt-service coverage in order for these bonds to be sold in the marketplace. That's built into our pro formas.

Let's suppose that this project is wildly successful, these views of San Francisco Bay do turn very high room rates, and that this project becomes wildly profitable at some point in the future. Where do those profits go? They go back to the members of the Joint Powers Authority. They go back to the Sausalito-Marin City School District, and to whomever else participates in that Joint Powers Authority. That's where the money goes in our particular project.

Those of us who are here involved and putting the deal together, to reiterate what was said before, there's simply a fee to put things together. And that is very restricted by law as to what kind of a fee it can be. We don't have investors in our project who are looking to make huge returns on their money for the risk they're taking. That's not how this project is structured.

So we're at 150 rooms. We're staying at 150 rooms. And the control of where this project goes over

time and what it becomes is up to you, the community.

MS. LAYZER: Historic.

MR. BROMAN: It seems we've already increased the room numbers. We're at 225. Actually, we said 227. The original report was 250. In our 227, one of those we see donating it to The Institute. The second one we see for being our staff. So we're calling our numbers what our numbers are. We see 227 keys, but there are only 225 rental rooms.

We have two large corporations that have looked through the numbers. So, obviously, I'm not the numbers person. But they have studied the numbers. They are here to do the project. We have 74 million reasons why I have to be successful, because it is our money; it is all cash up front.

I keep hearing road, utilities. The 225 -- we're paying more of the utilities; we're more to the GGNRA, all the numbers. I apologize on all the alphabets. Barbara, I'm not changing. I still don't remember the alphabets. But we do have those. We do have the 70 percent occupancy.

We do have parking problems, much the same as in Chatham. We have the employee problems, much the same as when I worked in the islands, the keys, be it in Chatham, and every place else.

We have looked at the maximum number of rooms that we think that will legitimately support the property. There's no upper, there's no more up or going down, or disguising what the occupancies of the rooms are. We are what we have presented, and we feel it's financially feasible, and it will be a success for the park. And we look forward to working with you.

MS. LAYZER: At nine minutes per question, this is going to be the last one. And, so, I've put it to Margaret, which topic will be end with?

MS. JONES: Let me tell you what's still on the table here, and I understand that everybody needs to go home. There are questions about the city of Sausalito's suit and what are the implications for that litigation for these projects.

There are questions on whether the developers are willing to sign certain kinds of labor agreements with groups that might be employed in construction or working on the site. Lots more specific room counts, financial questions, things like that.

There are questions about whether -- what happens if a Joint Powers Authority cannot be created and/or if a school is not a viable possibility, what then happens to the proposal that includes the school.

There are questions about why three nonprofit

institutes instead of one. That only goes to one. This is a hasty review.

Maybe the best thing is, since I've laid out a few of the questions, if each group would like to answer one of the ones that I have just identified, they can take their choice.

MS. LAYZER: The wisdom of Solomon here. Okay. It is Acquest's turn to go first.

MR. BUDDIE: When I walked up here, somebody said to me: answer them all. Well, I won't do that. It's almost getting close to 11:00. I'll answer the one that I think is directed specifically to our groups; and that is: What happens if we can't form the Joint Powers Authority? What happens if the school decided not to go forward?

Let me sort of explain to everybody what the next step in the process is. The next step in the process is that the National Park Service will determine that one of these three proposals that are before them is the one that they would like to sit down and enter into a period of exclusive negotiations with. And, so, that's sort of what we win out of this process. At least that's my understanding, which is: You get to be the one that sits down at the table.

Part of our proposal, then, would be, and what

we would need to deliver, as part of our proposal to the Park Service, is the Joint Powers Authority, is the commitment with respect to the school, the funding mechanisms, the ability to issue the bonds. Everything that's part of our proposal is what then has to be delivered in order for us to get through that exclusive negotiating period of time and actually sign a deal with the Park Service, so we could ever get to the point where we would actually issue the bonds, obtain the funding, and start construction.

So, like any other team that's here, there are a lot of things that could happen during that exclusive negotiating period of time in which the Park Service may determine not to go forward with the team, or a team may decide to back out. And I suppose the Park Service would then talk with somebody else. But our proposal is predicated upon being able to form the Joint Powers Authority, having the school district as our partner, and being able to put this proposal together as a public-benefit, not-for-profit corporation that will own and operate this facility. That is our proposal. If that doesn't work, we won't be the people involved in the project.

MS. LAYZER: All right. Historic.

MR. WHALEN: I'd like to take a try at three

of them, the first being the lawsuit.

Of course, we have absolutely no control over that, but we're certainly prepared to go ahead if we're allowed to do that. We're just waiting for the work, if we're selected, to move forward. That is something none of us, as proponents, really have a lot to do with, and we'll have to respond accordingly.

The second is relationships with the city of Sausalito. I envision a very, very great, seamless relationship with the city if we are selected. I've had the opportunity of having an office here in Sausalito, being a resident of Southern Marin, and I've met some of the Sausalito City Council Members, and other opinion-makers in the city. And I'm certain that, once this is all over, somebody is selected, we're all going to find a way to really work together for the benefit of everyone.

And, lastly, the negotiations with the National Park Service. I recently was involved with the building at Haslett, at Hyde Street, where a couple-hundred-room hotel is being built by a former client of mine. And I realized that much, much, much happens in those negotiations. And, so, a lot of what we're talking about here tonight will really be settled when we're sitting at that table, back and forth, and

making the adjustments each of us need in order to make it a successful project.

MS. LAYZER: Thank you. Passport.

DR. ABRAHAMSON: I'd like to address the question of why three nonprofit institutes, instead of one. The Fort Baker Learning Center is really going to be seen and felt as one entity by the public, except that it has three distinct parts.

The Fort Baker Institute, which is the National Park Service initiative, is very important for the parks to have a place to come together, train people on sustainability issues, evaluate how they're doing in the parks, bring in experts. It's going to be very much involved with the National Park Service. And all of us, the people who are making the proposals, are not designing that institute. That is something that the National Park Service is designing. And our job is to be hospitable to them, make them comfortable, give them a terrific place to do that, and really seed their mission. And we intend to do that.

In addition to that, we have two purposes with our nonprofit activity: One is to offer programs to the public. To bring in the most interesting, dynamic people we can find and offer them a place to think, to write, and also to share what they're about. So we feel

very strongly about that, and that is easier to operate as a separate entity only because of our funding commitments, the funding sources that we have.

The third one is also -- it would be a shame to leave Fort Baker without this. It's such -- it's the kind of the place that, when you're in an inner city running a youth group, or the United Way, or, you know, the people in New York, who are struggling how to cope with the events of September 11, or whoever it may be, there are tons of nonprofit groups in America, and every single one of them is struggling. How am I going to survive? Where are the sources of funding? Are we doing the best we can? Are we the most efficient at serving the public. And there are people who can help those groups become more efficient in the way they function, the way they fundraise, the way they do, interact, with community, and we want to support that because it's a crying need in America.

We believe that Fort Baker is kind of unique in its ability. It's a place for people to come together, kind of be together off the beaten track, outside of the normal constituencies that they face everyday, and to drink in the beauty that surrounds them. You know, to look out to the city and be inspired by what they're trying to serve, but to feel that they

can be reflective and creative in addressing their needs.

So, we feel that these three institutes are not competing with each other in any way, but they're enhancing each other and fulfilling three very specific needs all about sustainability.

MS. LAYZER: Thank you.

Before I relinquish the microphone back to the National Park Service, I want to compliment the proposers for the nimbleness with which they have met this challenge; the audience, for the seriousness that they have brought to this opportunity they've had this evening; and the Park Service, for opening itself up to this process. I would also like to invite anyone here tonight, who would like to comment on the way that -- on the process that we set up tonight, to address your comments to the League of Women Voters. We never stop working on our process.

So, with that, Brian, the mic goes back to you.

SUPERINTENDENT O'NEILL: And all of us assembled here want to thank the professionalism of the Marin County League of Women Voters, for a terrific job.

[Applause.]

Betsey assured us this would work well, and

she was absolutely right.

I just want to say a few very brief closing comments. I think we've all acknowledged here tonight and understand that this is an extraordinary opportunity that Fort Baker presents. And there's been extraordinary amount of really hard work that's been done by three teams. And I want to express my personal appreciation for the seriousness of the in-depth nature which each of the teams have explored the challenge that lies ahead, and the terrific work they've done in putting together three very different but special approaches to the challenge of Fort Baker.

So, I'd like to ask the audience to give thanks to the talented teams that have put so much of their soul into this project to get this point. Let's give them all appreciation.

[Applause.]

I like the buzz and energy around the room. I think, you know, there's a feeling that we're moving this forward, and there's so much here to work with. And I think those of you in the audience recognize, when you saw the credentials of the three teams that assembled in this one room, and assembled in the supporting teams here, is some of the most extraordinary best talent that America has to give to a project. And

the Park Service is so grateful that this project, and this opportunity has drawn this talent to get to where we are today.

We're very encouraged by what we heard, and no one said it was going to be easy, that the decision was going to be easy. But we said we wanted a hard decision to be able to make. Because that meant we had three good, solid proposals that were well thought through, and that we still had the ability to fine tune as it moved forward.

So the question is: What happens now?

The proposals that you heard tonight, we have a much more detailed proposals in our hand. They're going to be undergoing a thorough evaluation by a technical panel by a technical panel of federal officials, who were very carefully selected for their technical and professional expertise.

During this time that the evaluation panel is doing its homework and review, the public will be provided some additional opportunities for comment. There will be two meetings before our Park Advisory Commission -- and I'll give you the dates in just a second -- where we'll provide an opportunity for people to provide additional comment.

Each of the teams have indicated an openness

and willingness to receive individual questions that any of you in the audience, or others, may have, that can be directed specifically at them so you could get some clarification for any of the points of their proposals that you heard tonight, that haven't fully responded to the questions that you have.

The National Park Service Selecting Official will have the benefit of both the detailed technical review that will be done by the panel, plus all of the comments, the video tape from tonight, all of the other verbal and oral comments that we'll have, plus any answers to the questions that we weren't able to get to tonight.

All of that body of information will be submitted forward, and the selecting official in this case is the Regional Director for the Pacific West Region of the Park Service, John Reynolds. It was very important that, in my role, and having to work this project forward, that the decision was elevated at one level up in the National Park Service for decision.

It's going to be a difficult task. We want to try to complete this important phase, and critical phase, within a six- to eight-week period. We're trying to manage the process to be able to reach a decision by mid-January.

I think it's important for everyone that's still here -- it's amazing there is still that many people here. Thank you, thank you, thank you.

But it's important to understand that a proposal will be chosen which best balances all of the considerations. In choosing the best all-around proposal, the National Park Service will not be endorsing every element the proposal may include. What is being awarded is an exclusive right to negotiate. Further opportunities to refine the proposal will still exist through the negotiation process.

Comments on the proposals -- that the summaries are on the back table and what you heard tonight -- are going to be accepted by the National Park Service through 27th of November. As I said, the ability to provide oral comments will be provided at the two Golden Gate National Recreation Area Advisory Commission Meetings scheduled for October 23, and for November 27. If you're going to be making any comments -- and I think both of those -- Mai-Liis, you might help me -- are both of those at the Park Headquarters?

ASSISTANT SUPERINTENDENT BARTLING: Yes.

SUPERINTENDENT O'NEILL: Both of those are at Building 201, Fort Mason, and the meetings start at 7:30 on both of those nights.

If you're making comments in writing, we ask that you address those comments to me, Brian O'Neill, as the Superintendent, but mark them attention, the Fort Baker RFP. We get a lot of mail in the office, and we want to make sure we're not confused, so we'll be able to sort these out immediately. But they should be sent to Fort Mason, Building 201, San Francisco, and the Zip Code is 94123.

Also, we've made copies of tonight's presentations, which are going to be made available at three locations, so people who weren't able to get here tonight, will get the benefit of what you all heard. They're going to be at the Sausalito Public Library. We're going to have a copy at the Western Regional Visitors Center, which is at the Park Headquarters at Fort Mason. And we're going to also have a copy over at the Visitor Center in the Marin Headlands, right through the tunnel, in the Fort Barry Chapel.

Also, there on the back table, there will be some other opportunities that are available to you all in the public to participate at Fort Baker. If you haven't signed up, sign up in the back.

So I just want to, again, thank the talented teams for the work they've done, the interest of the audience in being here, the terrific job that the League

of Women Voters of Marin provided. And I think we're on a wonderful course to select a project that's going to be right, and do justice to a grand, wonderful place, Fort Baker.

Thank you.

[Applause.]

(Whereupon, at 11:00 p.m., the meeting was adjourned.)

C E R T I F I C A T E

This is to certify that the attached proceedings before the Department of Interior, National Park Service, and Golden Gate National Recreation Area of the meeting of:

Fort Baker Retreat and Conference Center

Request for Proposals (RFP) Public Presentations

were held as therein appears, and that this is the original transcript thereof for the files of the National Park Service.

James W. Higgins, CVR
Official Reporter

